

Financial Statements and Report of
Independent Certified Public
Accountants

IEEE Foundation, Incorporated

December 31, 2020 and 2019

Contents

	Page
Report of Independent Certified Public Accountants	3
Financial Statements	
Statements of financial position as of December 31, 2020 and 2019	5
Statement of activities for the year ended December 31, 2020	6
Statement of activities for the year ended December 31, 2019	7
Statement of functional expenses for the year ended December 31, 2020	8
Statement of functional expenses for the year ended December 31, 2019	9
Statements of cash flows for the years ended December 31, 2020 and 2019	10
Notes to financial statements	11



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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
IEEE Foundation, Incorporated:

We have audited the accompanying financial statements of IEEE Foundation, Incorporated (the "Foundation"), which comprise the statements of financial position as of December 31, 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.

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 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 Foundation'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 Foundation'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 IEEE Foundation, Incorporated as of December 31, 2020 and 2019, 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.

Grant Thornton LLP

Iselin, New Jersey
April 12, 2021

IEEE Foundation, Incorporated
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2020 and 2019

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 11,494,803	\$ 10,009,975
Amounts due from IEEE	91,810	121,579
Contributions receivable, net	1,754,654	1,711,397
Prepaid expenses and other assets	88,261	95,304
Investments, at fair value	43,963,111	40,277,974
Beneficial interest in trust	4,076,234	3,651,189
Amounts held in trust for others	426,361	411,078
Total assets	\$ 61,895,234	\$ 56,278,496
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accrued expenses	\$ 54,726	\$ 78,311
Awards and grants payable	954,596	2,006,559
Amounts due to IEEE	38,383	79,508
Amounts held for others	426,361	411,078
Total liabilities	1,474,066	2,575,456
Contingencies		
NET ASSETS		
Without donor restrictions		
Operating	12,936,271	11,730,534
Board-designated	3,975,095	3,678,328
Total net assets without donor restrictions	16,911,366	15,408,862
With donor restrictions		
	43,509,802	38,294,178
Total net assets	60,421,168	53,703,040
Total liabilities and net assets	\$ 61,895,234	\$ 56,278,496

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

IEEE Foundation, Incorporated

STATEMENT OF ACTIVITIES

For the year ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues			
Contributions, including contributed services of \$1,221,335	\$ 2,249,139	\$ 4,120,370	\$ 6,369,509
Change in fair value of beneficial interest in trust	-	425,045	425,045
Investment gains, net	1,829,616	3,632,889	5,462,505
Net assets released from restrictions	2,962,680	(2,962,680)	-
	<u>7,041,435</u>	<u>5,215,624</u>	<u>12,257,059</u>
Expenses			
Program services:			
Illuminate	490,795	-	490,795
Educate	863,231	-	863,231
Engage	380,464	-	380,464
Energize	1,718,461	-	1,718,461
	<u>3,452,951</u>	<u>-</u>	<u>3,452,951</u>
Supporting services:			
Administrative	864,645	-	864,645
Fundraising activities	1,221,335	-	1,221,335
	<u>2,085,980</u>	<u>-</u>	<u>2,085,980</u>
Total expenses	<u>5,538,931</u>	<u>-</u>	<u>5,538,931</u>
Changes in net assets	1,502,504	5,215,624	6,718,128
Net assets, beginning of year	<u>15,408,862</u>	<u>38,294,178</u>	<u>53,703,040</u>
Net assets, end of year	<u>\$ 16,911,366</u>	<u>\$ 43,509,802</u>	<u>\$ 60,421,168</u>

The accompanying notes are an integral part of this financial statement.

IEEE Foundation, Incorporated

STATEMENT OF ACTIVITIES

For the year ended December 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues			
Contributions, including contributed services of \$1,286,592	\$ 2,487,664	\$ 4,677,911	\$ 7,165,575
Change in fair value of beneficial interest in trust	-	589,591	589,591
Investment gains, net	2,228,359	4,032,588	6,260,947
Net assets released from restrictions	3,519,676	(3,519,676)	-
	<u>8,235,699</u>	<u>5,780,414</u>	<u>14,016,113</u>
Expenses			
Program services:			
Illuminate	1,065,513	-	1,065,513
Educate	1,298,862	-	1,298,862
Engage	380,353	-	380,353
Energize	1,916,918	-	1,916,918
	<u>4,661,646</u>	<u>-</u>	<u>4,661,646</u>
Supporting services:			
Administrative	916,530	-	916,530
Fundraising activities	1,317,331	-	1,317,331
	<u>2,233,861</u>	<u>-</u>	<u>2,233,861</u>
Total expenses	<u>6,895,507</u>	<u>-</u>	<u>6,895,507</u>
Changes in net assets	1,340,192	5,780,414	7,120,606
Net assets, beginning of year	<u>14,068,670</u>	<u>32,513,764</u>	<u>46,582,434</u>
Net assets, end of year	<u>\$ 15,408,862</u>	<u>\$ 38,294,178</u>	<u>\$ 53,703,040</u>

The accompanying notes are an integral part of this financial statement.

IEEE Foundation, Incorporated

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2020

	Program Services					Supporting Services			Total Expenses
	Illuminate	Educate	Engage	Energize	Total	Administrative	Fundraising Activities	Total	
Grants	\$ 490,795	\$ 360,446	\$ 380,464	\$ 708,487	\$ 1,940,192	\$ -	\$ -	\$ -	\$ 1,940,192
Recognition awards	-	-	-	753,707	753,707	-	-	-	753,707
Medals and certificates	-	387	-	106,232	106,619	-	-	-	106,619
Scholarships and fellowships	-	487,517	-	-	487,517	-	-	-	487,517
Student meetings and related travel	-	14,881	-	12,634	27,515	-	-	-	27,515
Print and mailings	-	-	-	31,679	31,679	-	-	-	31,679
IEEE contract support:									
IEEE professional staff services	-	-	-	91,936	91,936	594,010	-	594,010	685,946
Rent	-	-	-	3,161	3,161	20,425	-	20,425	23,586
Professional fees	-	-	-	-	-	42,000	-	42,000	42,000
Office equipment	-	-	-	3,270	3,270	21,130	-	21,130	24,400
Contract - other charges	-	-	-	7,355	7,355	47,521	-	47,521	54,876
Total IEEE contract support	-	-	-	105,722	105,722	725,086	-	725,086	830,808
Travel and meetings	-	-	-	-	-	98,045	-	98,045	98,045
Other	-	-	-	-	-	41,514	-	41,514	41,514
Fundraising:									
Contributed services	-	-	-	-	-	-	1,221,335	1,221,335	1,221,335
Total expenses	\$ 490,795	\$ 863,231	\$ 380,464	\$ 1,718,461	\$ 3,452,951	\$ 864,645	\$ 1,221,335	\$ 2,085,980	\$ 5,538,931

The accompanying notes are an integral part of this financial statement.

IEEE Foundation, Incorporated

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2019

	Program Services					Supporting Services			Total Expenses
	Illuminate	Educate	Engage	Energize	Total	Administrative	Fundraising Activities	Total	
Grants	\$ 1,065,513	\$ 703,423	\$ 380,353	\$ 906,633	\$ 3,055,922	\$ -	\$ -	\$ -	\$ 3,055,922
Recognition awards	-	-	-	725,671	725,671	-	-	-	725,671
Medals and certificates	-	555	-	108,580	109,135	-	-	-	109,135
Scholarships and fellowships	-	502,282	-	-	502,282	-	-	-	502,282
Student meetings and related travel	-	92,602	-	6,698	99,300	-	-	-	99,300
Print and mailings	-	-	-	65,556	65,556	-	-	-	65,556
IEEE contract support:									
IEEE professional staff services	-	-	-	89,878	89,878	576,873	-	576,873	666,751
Rent	-	-	-	3,490	3,490	22,397	-	22,397	25,887
Professional fees	-	-	-	-	-	40,000	-	40,000	40,000
Office equipment	-	-	-	3,222	3,222	20,678	-	20,678	23,900
Contract - other charges	-	-	-	7,190	7,190	46,150	-	46,150	53,340
Total IEEE contract support	-	-	-	103,780	103,780	706,098	-	706,098	809,878
Travel and meetings	-	-	-	-	-	178,232	-	178,232	178,232
Other	-	-	-	-	-	32,200	-	32,200	32,200
Fundraising:									
Contributed services	-	-	-	-	-	-	1,286,592	1,286,592	1,286,592
Consultants and other	-	-	-	-	-	-	30,739	30,739	30,739
Total expenses	<u>\$ 1,065,513</u>	<u>\$ 1,298,862</u>	<u>\$ 380,353</u>	<u>\$ 1,916,918</u>	<u>\$ 4,661,646</u>	<u>\$ 916,530</u>	<u>\$ 1,317,331</u>	<u>\$ 2,233,861</u>	<u>\$ 6,895,507</u>

The accompanying notes are an integral part of this financial statement.

IEEE Foundation, Incorporated

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Changes in net assets	\$ 6,718,128	\$ 7,120,606
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Net realized and unrealized gains from investments	(4,582,000)	(5,133,728)
Change in fair value of beneficial interest in trust	(425,045)	(589,591)
Donated stock	(25,638)	(358,842)
Proceeds from sale of donated stock	25,389	356,560
Changes in assets and liabilities:		
(Increase) decrease in contributions receivable	(43,257)	710,714
Decrease in amounts due from IEEE	29,769	115,789
Decrease (increase) in prepaid expenses and other assets	7,043	(3,892)
Increase in amounts held in trust for others	(15,283)	(37,346)
(Decrease) increase in accrued expenses	(23,585)	9,191
Decrease in awards and grants payable	(1,051,963)	(365,368)
Decrease in amounts due to IEEE	(41,125)	(73,035)
Increase in amounts held for others	15,283	37,346
	<u>587,716</u>	<u>1,788,404</u>
Cash flows from investing activities:		
Proceeds from sale of investments	1,651,974	2,328,036
Purchase of investments	(754,862)	(1,742,231)
	<u>897,112</u>	<u>585,805</u>
Net cash provided by investing activities	<u>897,112</u>	<u>585,805</u>
Net increase in cash and cash equivalents	1,484,828	2,374,209
Cash and cash equivalents at beginning of year	<u>10,009,975</u>	<u>7,635,766</u>
Cash and cash equivalents at end of year	<u>\$ 11,494,803</u>	<u>\$ 10,009,975</u>

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

IEEE Foundation, Incorporated
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 - IEEE FOUNDATION, INCORPORATED

IEEE Foundation, Incorporated (the "Foundation") performs activities solely in support of the scientific and educational functions and programs of The Institute of Electrical and Electronics Engineers, Incorporated (the "Institute," or "IEEE").

Our Vision

The Foundation is a leader in transforming lives through the power of technology and education.

Our Mission

The Foundation inspires an engaged community and leverages the generosity of donors to enable IEEE programs that enhance technology access, literacy, and education and supports the IEEE professional community.

Components of Program Services

Illuminate - the possibilities of technology by using it to address global challenges.

Technology allows us to ask previously unimaginable questions and find solutions to unsolved problems.

IEEE Smart Village

IEEE Smart Village ("ISV") has a unique approach to support the world's energy-impooverished communities by providing a comprehensive solution combining renewable energy, community-based education and entrepreneurial opportunities. ISV provides seed-funding to carefully selected community entrepreneurs based upon a credible business plan that will impact a significant number of people with electricity, education and jobs. In 2020, ISV funded 10 new projects in 7 different countries. Each project is designed to close the energy-gap for the world's most energy impoverished citizens through the three pillars - electrification, education and enterprise development.

EPICS in IEEE

Engineering Projects in Community Service ("EPICS") is one of IEEE's most effective student-centered programs. EPICS in IEEE empowers students to work with local service organizations to apply their newly acquired technical acumen to envision, develop and install solutions for a community's unique challenges in that community. In this way, EPICS in IEEE assists communities in achieving their specific local community improvement goals and provides the students with critically needed experiential learning opportunities. EPICS in IEEE connects engineering with community service in four categories of community improvement effort: Access and Abilities - Education and Outreach - Environment - Human Services. In 2020 EPICS and TryEngineering curated and delivered a series of free "Engineering Spotlight" webinars that introduced more than 1,100 students to different IEEE fields of interest. Episodes explored topics including Oceanic Engineering, Quantum Computing and Bioengineering. Founded in 2009, EPICS in IEEE has facilitated more than 130 projects in more than 30 countries impacting more than 291,000 people. The program has also engaged 900+ volunteers, 3,000+ university students and 8,000+ pre-university students.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

IEEE Empower A Billion Lives

The IEEE Empower a Billion Lives (“EBL”) competition, conceptualized by the IEEE Power Electronics Society, fosters the development of scalable solutions to energy poverty through the first EBL competition. The goal is to identify and promote cutting-edge, high-impact solutions to extreme poverty and lack of access to energy in the developing world. The first EBL competition concluded on October 3, 2019, with 23 global finalist teams from 70 countries showcasing their groundbreaking innovations. The next competition launches during 2021, and the finalists will be selected in October 2022.

Other Illuminate Programs

Other special programs made possible by IEEE members of all ages from all around the world help us to realize the full potential of IEEE. Donations to IEEE Foundation enable other initiatives that help meet the world’s most pressing challenges.

In 2020, the IEEE Mobile Outreach Vehicle (“MOVE”) team was deployed five times answering the call to provide the power and communications required to initiate services to the people affected by disasters. New layers of protection were added by equipping the truck with personal protective equipment, training on pandemic protocols and adding a MOVE weather team.

Seed funding provided kickstarted the work of four new IEEE SIGHT groups located in Zambia, Switzerland, New Zealand and Thailand.

IEEE Foundation responded to the COVID-19 crisis by awarding \$35,329 in funding to six IEEE programs in fiscal year 2020 providing support throughout the pandemic.

Educate - the next generation of innovators and engineers.

The future of technology depends upon the nourishment of brilliant minds, the creation of opportunities to dream and the cultivation of a generation of socially responsible technology professionals.

IEEE Power & Energy Society Scholarship Plus Initiative

IEEE Power & Energy Society (“PES”) Scholarship Plus Initiative encourages high-achieving undergraduate students in the U.S., Canada, Puerto Rico, Italy and India to pursue careers in the power and energy industry by awarding scholarships and connecting the students to internships and mentors. These promising PES Scholars graduate with the knowledge and career experience necessary to begin making an impact across the power and energy industry. In 2020, 118 high-achieving undergraduate electrical engineering students from 60 universities across the USA, Canada and Puerto Rico were selected as 2020-21 PES Scholars. The total number of scholarships awarded since the initiative’s 2011 inception is 1,809. 22% of the recipients are female. Approximately 60% of the scholarship recipients have full-time jobs at 357 different companies. Almost half of the recipients are second and third-time awardees. Upon graduation each student has earned at least one career experience providing critical real-world application of classroom theory. PES Scholars also take advantage of IEEE PES membership, which provides them with access to a wide network of professionals who can offer assistance as mentors and with career direction.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

IEEE REACH Program

Raising Engineering Awareness through the Conduit of History ("REACH") provides free educational resources to pre-university teachers and their students via the REACH website: reach.ieee.org. The program was already uniquely positioned to provide resources for homeschooling and virtual learning during the COVID-19 pandemic. Efforts to increase awareness and delivery of the resources was even more of a priority in 2020.

The site boasts visitors and users from almost all of the 45 U.S. states and 43 countries, with the potential to impact 250,000 students. Other users include librarians, students, IEEE members, partner organizations, those with an interest in education and other engineering associations. Goals of the program include engaging students in the history of technology and encourage the examination of its relationship with society, culture, economics, and politics, providing a new lens from which students may view engineering and technology as relevant to their lives and their future, enhancing student skills in problem solving, critical thinking, research, communication and collaboration, preparing students to become better-informed citizens of our high-tech society, and meeting the needs of teachers. In 2020, IEEE REACH's free educational resources and hands-on activities were introduced to more than 70 teachers and almost 1,000 pre-university girls in rural Uganda in partnership with UNESCO, IEEE Africa Council, IEEE Uganda Section and two Uganda-based nonprofits.

Students and Young Professionals

The process of inspiring bright minds includes creating opportunities and cultivating a generation of socially responsible technology professionals. IEEE is uniquely positioned to empower hundreds of bright young minds and encourages the next generation of electrical engineers through the expansive collection of scholarships, fellowships and grants to attend IEEE conferences as well as educational programs that promote science, technology, engineering and mathematics.

Engage - a wider audience in appreciating the value and importance of engineering and technology.

Technological advancements and their impact on humanity during the past 150 years have been monumental. Preserving this history enables us to better understand today and improve tomorrow.

IEEE History Center

2020 celebrated the IEEE History Center's 40 years of preserving, researching, and promoting the history of electrical and information technologies through its robust and impactful programming. The IEEE History Center records, archives and educates the public about the nature of technology and its relationship, both past and present, to society. Its vast array of resources is delivered to the public through the Engineering & Technology History Wiki - www.ethw.org, and other publicly available sources. In 2020, two virtual IEEE Milestones dedication ceremonies were held celebrating AlohaNet and Piezoelectric Quartz Oscillator, 1921-1923. The IEEE History Center added 10 new interviews with technology icons to IEEE's expansive Oral History collection including Richard Schwartz and Hugo Fruehauf which completed our Global Positioning System collection featuring the four founding fathers of GPS.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Energize - innovation by celebrating technological excellence.*Technological innovation pushes the boundaries of thinking, breaks new ground and improves lives.*Recognition of Innovation

For more than 100 years, IEEE has recognized and lauded individuals whose exceptional contributions inspire us all through the lasting impact their work has had on technology, society, the engineering profession, and humanity. The portfolio of IEEE awards supported through the Foundation is vast and celebrates accomplishments across the breadth and depth of IEEE activities and technical fields. In 2020, IEEE added a new medal in honor and memory of computing pioneer and IEEE Fellow Frances E. Allen. The IEEE Frances E. Allen Medal is the second IEEE medal named for a female innovator.

Investing in Innovation

The Foundation manages funds that support IEEE grassroots projects of strategic importance and provides the critical resources to monitor the impact and effectiveness of those donor supported programs. IEEE Life members represent an invaluable repository of personal experiences and funds support activities of these long-time members who contribute to the social good in their communities around the world.

IEEE-Eta Kappa Nu Fund Support

IEEE-Eta Kappa Nu ("IEEE-HKN") is the vibrant honor society of IEEE dedicated to encouraging and recognizing individual excellence in education and meritorious work, in professional practice, and in any of the areas within the IEEE-designated fields of interest. IEEE-HKN is recognized throughout the profession and members carry with them the distinction of superior scholarship, attitude, and character. IEEE-HKN boasts nearly 300 chapters worldwide with more students than ever, an average of 18 students per chapter. Chapter leaders work closely with faculty and their University departments to fill gaps and aid in student success on their campuses. Service hours and programs offered by HKN Chapters make an impact on the communities served. September 1, 2020 commemorated the 10th Anniversary of the merger of IEEE and HKN and HKN recognized this achievement with new and exciting virtual events - HKN Experience and Online Graduation Ceremony - as avenues to enable students to interact, learn, and support one another.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Program services - related expenses are comprised of the following:

	2020	2019
Illuminate:		
IEEE Smart Village	\$ 413,782	\$ 637,600
EPICS in IEEE	17,900	128,300
IEEE Empower a Billion Lives	-	299,613
Other Illuminate programs	59,113	-
Total Illuminate	490,795	1,065,513
Educate:		
IEEE Power & Energy Society Scholarship Plus Initiative	430,000	467,716
IEEE REACH Program	76,300	181,500
Students and Young Professionals	356,931	649,646
Total Educate	863,231	1,298,862
Engage:		
IEEE History Center support	380,464	379,156
Other Engage	-	1,197
Total Engage	380,464	380,353
Energize:		
Recognition of Innovation	1,305,900	1,307,071
Investing in Innovation	107,723	258,806
IEEE-Eta Kappa Nu Fund Support	304,838	351,041
Total Energize	1,718,461	1,916,918
Total program services	\$ 3,452,951	\$ 4,661,646

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***Basis of Presentation***

The Foundation's financial statements are presented in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") and have been prepared on the accrual basis of accounting.

IEEE Foundation, Incorporated**NOTES TO FINANCIAL STATEMENTS - CONTINUED****December 31, 2020 and 2019*****Net Asset Classifications***

The Foundation's net assets, revenues, expenses, 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 and reported as follows:

Net Assets without Donor Restriction

Represent net assets which are not restricted by donors. Net assets without donor restrictions are funds that are fully available, at the discretion of the Board of Directors and management, for the Foundation to utilize in any of its programs or supporting services. Net assets without donor restrictions may be designated for specific purposes by the Foundation's Board of Directors or may be limited by legal requirements or contractual agreements with outside parties.

Net Assets with Donor Restriction

Represent net assets which are subject to donor-imposed restrictions whose use is restricted by time and/or purpose. A portion of the Foundation's net assets with donor restrictions is subject to donor-imposed restrictions that require the Foundation to use or expend the gifts as specified, based on purpose or passage of time. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, such net assets are reclassified to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions.

Another portion of net assets with donor restrictions stipulates that the corpus of the gifts be maintained in perpetuity but allows for the expenditure of net investment income and gains earned on the corpus for either specified or unspecified purposes.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash balances held in bank accounts and short-term investments held by the Foundation for operating use with original maturities of three months or less from the date of purchase. Included in cash and cash equivalents are amounts deposited in an IEEE concentration banking account in the amount of \$9,779,031 and \$8,560,841 at December 31, 2020 and 2019, respectively.

Investments

The Foundation's investments are invested almost entirely in the Institute's investment pool. The Foundation's assets held in the Institute's investment pool have a long-term investment horizon of approximately 10 years. Realized gains and losses on sales of shares held in the pool are determined on an average-cost basis. Purchases and sales of shares held in the pool are recorded on a trade-date basis.

Investments in limited partnerships that are not readily marketable are reported at fair value as determined by the respective investment manager as of the measurement date. Such valuations involve assumptions and methods that are reviewed by the Foundation and which have been concluded to be reasonable and appropriate. Because such investments are not readily marketable, their estimated fair value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed. Such difference could be material. However, the risk to the Foundation is limited to the amount of the Foundation's investment in each of the respective limited partnerships.

IEEE Foundation, Incorporated**NOTES TO FINANCIAL STATEMENTS - CONTINUED****December 31, 2020 and 2019*****Fair Value Measurements***

The Foundation follows guidance that defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This standard provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction. The standard also prioritizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the respective asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities includes investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.
- Level 3 - Securities that have little to no pricing observability as of the measurement date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the reporting entity. The Foundation considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Foundation's perceived risk of that instrument.

Contributions

The Foundation recognizes revenue from contributions in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-605. In accordance with ASC 958-605, the Foundation evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the Foundation applies guidance under FASB ASC 605 for exchange transactions. If the transfer of assets is determined to be a contribution, the Foundation evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Foundation is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

IEEE Foundation, Incorporated**NOTES TO FINANCIAL STATEMENTS - CONTINUED****December 31, 2020 and 2019**

Contributions, including solicited contributions received at the time of the IEEE annual member renewal process and unconditional promises to give, are reported as revenues in the period received. Conditional contributions are recorded as revenue when the conditions on which they depend have been substantially met. Unconditional promises to give in greater than one year are discounted to reflect the present value of future cash flows using a credit-adjusted discount rate assigned in the year the respective pledge originates. Such discount rates on all contributions receivable ranged from 1.13% to 3.48% at December 31, 2020 and 2.58% to 3.48% at December 31, 2019. Discount rates assigned to individual pledges are not subsequently revised. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any. Because of the uncertainty surrounding the collection of certain pledges, the Foundation determines an allowance for doubtful accounts by specifically analyzing donor accounts, historical bad debts and current economic trends. These allowances are maintained at a level management considers adequate to provide for potential uncollectible accounts. Further, these estimates are reviewed periodically and adjusted as more information about the ultimate collectability of a respective pledge becomes available. The Foundation writes off any amounts that are no longer considered to be recoverable, and any payments subsequently received on such receivables are recorded as income in the period received. Investment earnings derived from donations made to the Foundation are reinvested for the purpose(s) that the donation was originally made unless otherwise stated and are reflected within investment gains (losses) of the statements of activities.

Contributed Services

Contributed services are recognized as revenue if the services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills and typically would need to be purchased if not otherwise provided by donation. Contributed services are recorded at the fair value of the services provided and are recorded on the statement of activities as revenues with an offset to the relevant functional expense benefited in the period received. See also Note 10.

Beneficial Interest in Trust

The Foundation has a beneficial interest in a trust, which is administered by an independent financial institution. Under the terms of this trust, the Foundation has the irrevocable right to receive all of the income earned on the trust assets for the life of the trust and the balance of the trust assets upon dissolution of the trust. The Foundation does not control the assets held by the outside trust. The Foundation measures its beneficial interest in the trust at the fair value of the underlying investments held by the trust. The amount of the Foundation's beneficial interest in such trust is included in net assets with donor restrictions until such time as the provisions of the trust agreement allow the Foundation to receive the assets.

Receivables Due from IEEE

Amounts due from IEEE represent contributions restricted for the Foundation and collected by the Institute during the annual member renewal process.

Amounts Due to IEEE

Amounts due to IEEE represent expenses paid directly by IEEE on behalf of the Foundation.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Awards and Grants Payable

The Foundation recognizes a liability for grants to be paid in future periods when the Board of Directors approves such amounts unconditionally and the respective grantee is notified. Grants are payable as follows at December 31, 2020 and 2019:

	2020	2019
Less than one year	\$ 954,596	\$ 2,006,559

For the years ended December 31, 2020 and 2019, the Foundation rescinded approximately \$44,130 and \$59,795, respectively, of grant commitments. As of December 31, 2020 and 2019, \$889,177 and \$1,807,377, respectively, of awards and grants payable are due to the Institute.

Income Taxes and Tax Status

The Foundation follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This section provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Foundation is qualified under Section 501(c)(3) of the Internal Revenue Code (“IRC”) as an organization exempt from federal income tax and applicable state income tax and is classified as other than a private foundation under Section 509(a)(1) of the IRC. Nevertheless, the Foundation may be subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. As of December 31, 2020 and 2019, management has determined that there are no uncertain tax positions that would require recognition or disclosure in the financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis on the statements of activities and in more detail on the statements of functional expenses. These expenses can be directly identified with the program or supporting service to which they relate and are charged accordingly. Indirect expenses that benefit multiple functional areas are allocated based upon program attributes.

Risks and Uncertainties

The Foundation has substantially all of its investments held in the Institute’s investment pool which invests in several investment securities that are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term. Such changes could materially affect the amounts reported on the accompanying financial statements.

Use of Estimates

The preparation of financial statements in accordance with U.S. 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Subsequent Events

The Foundation evaluated its December 31, 2020 financial statements for subsequent events through April 12, 2021, the date the financial statements were available to be issued.

The Foundation is not aware of material subsequent events which would require recognition or disclosure in the accompanying financial statements.

NOTE 3 - CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable, net, at December 31, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
IEEE Control Systems Society Fund	\$ 850,000	\$ -
IEEE PELS Humanitarian and Outreach Fund	250,000	257
IEEE Power & Energy Society Scholarship Plus Program	235,000	150,295
IEEE NPSS Edward J Hoffman Memorial Fund	100,000	-
IEEE Jon Charles Taenzer Memorial Fund	75,000	500,000
IEEE Signal Processing Student & Young Professional Fund	60,000	150,023
IEEE Foundation Fund	37,602	215,040
IEEE Smart Village	35,028	146,332
EPICS in IEEE	2,875	101,603
IEEE Educational Activities Fund	243	52,502
IEEE Vehicular Technology Society Awards Fund	-	263,000
Other	115,326	139,817
	<u>1,761,074</u>	<u>1,718,869</u>
Less: Discount for present value	<u>(6,420)</u>	<u>(7,472)</u>
Contributions receivable, net	<u>\$ 1,754,654</u>	<u>\$ 1,711,397</u>

As of December 31, 2020 and 2019, contributions receivable due in less than one year and between one and five years consist of the following:

	<u>2020</u>	<u>2019</u>
Less than one year	\$ 1,526,874	\$ 1,534,104
Greater than one year	<u>234,200</u>	<u>184,765</u>
	<u>\$ 1,761,074</u>	<u>\$ 1,718,869</u>

During 2020, the Foundation received notification of certain intentions to give, the realizable amounts of which are not presently determinable. Due to their conditional nature, such gifts have not been reflected on the accompanying financial statements.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

NOTE 4 - INVESTMENTS, AT FAIR VALUE

Investments, at fair value, at December 31, 2020 and 2019 consist of the following:

	2020		2019	
	Cost	Fair Value	Cost	Fair Value
Limited partnership	\$ 100,000	\$ 85,805	\$ 100,000	\$ 85,805
U.S. Treasuries	-	-	799,974	798,782
Participation in the Institute's investment pool	25,809,763	43,877,306	25,614,068	39,393,387
Total investments	\$ 25,909,763	\$ 43,963,111	\$ 26,514,042	\$ 40,277,974

The Foundation's investments consist primarily of participation in the Institute's investment pool. The Institute's investment pool consists of publicly traded debt and equity securities which are recorded at fair value determined on the basis of quoted market prices (i.e., Level 1 inputs) and alternative investments (e.g., commingled funds) for which market values are not readily obtainable. The Institute follows guidance on measuring the fair value of alternative investments, which offers investors a practical expedient for measuring the fair value of investments in certain entities that calculate net asset value ("NAV"). Under this practical expedient, entities are permitted to use NAV without adjustment for certain investments which: (a) do not have a readily determinable fair value; and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

At December 31, 2020 and 2019, the fair value of the Institute's investment pool's investments was based 89% and 88% on Level 1 inputs and 11% and 12% using NAV as a practical expedient, respectively. The Foundation's participation in the Institute's investment pool is determined based on its pro rata ownership interest of the entire pool. The Foundation has the ability to redeem its investment within the Institute's investment pool based upon conditions outlined in the Investment Service Agreement between the Institute and the Foundation. Redemption requests for funds deposited up to 5% and greater than 5%, require 30 days' notice and 90 days' notice, respectively.

The fair value of the Foundation's investments in a limited partnership is measured at the liquidation value stated in the investment's prospectus. As of December 31, 2020 and 2019, there are no remaining unfunded commitments on this investment. The Foundation plans to liquidate its limited partnership investment during its next exit window, which may occur as late as 2028.

The following tables prioritize the inputs used to measure and report the fair value of the Foundation's investments at December 31, 2020 and 2019:

	2020			
	Level 1	Level 2	Level 3	Total
Limited partnership	\$ -	\$ -	\$ 85,805	\$ 85,805
U.S. Treasuries	-	-	-	-
Participation in the Institute's investment pool	-	-	43,877,306	43,877,306
Total investments	\$ -	\$ -	\$ 43,963,111	\$ 43,963,111

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

	2019			
	Level 1	Level 2	Level 3	Total
Limited partnership	\$ -	\$ -	\$ 85,805	\$ 85,805
U.S. Treasuries	798,782	-	-	798,782
Participation in the Institute's investment pool	-	-	39,393,387	39,393,387
Total investments	<u>\$ 798,782</u>	<u>\$ -</u>	<u>\$ 39,479,192</u>	<u>\$ 40,277,974</u>

The tables below set forth a summary of changes in the fair value of the Foundation's Level 3 assets for the years ended December 31, 2020 and 2019.

	2020		
	Limited Partnership	Participation in the Institute's Investment Pool	Total
Balance, beginning of year	\$ 85,805	\$ 39,393,387	\$ 39,479,192
Purchases	-	754,862	754,862
Sales	-	(852,000)	(852,000)
Net realized and unrealized gains	-	4,581,057	4,581,057
Balance, end of year	<u>\$ 85,805</u>	<u>\$ 43,877,306</u>	<u>\$ 43,963,111</u>

	2019		
	Limited Partnership	Participation in the Institute's Investment Pool	Total
Balance, beginning of year	\$ 85,805	\$ 34,842,742	\$ 34,928,547
Purchases	-	942,255	942,255
Sales	-	(1,528,080)	(1,528,080)
Net realized and unrealized gains	-	5,136,470	5,136,470
Balance, end of year	<u>\$ 85,805</u>	<u>\$ 39,393,387</u>	<u>\$ 39,479,192</u>

Net realized and unrealized gains are included within investment gains, net on the accompanying statements of activities.

Investment gains, net, for the years ended December 31, 2020 and 2019 include investment expenses, which are netted with interest and dividends and amounted to \$90,926 and \$102,789 in 2020 and 2019, respectively.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

NOTE 5 - BENEFICIAL INTEREST IN TRUST

The Foundation is the sole beneficiary of a trust (the "Trust") established by Alfred and Gertrude Goldsmith in 1988 with a financial institution. Under the terms of the Trust agreement, the Foundation shall receive the income of the Trust, which consists primarily of interest and dividends, on a quarterly basis, and the balance of the assets in the Trust in 2038.

As of December 31, 2020 and 2019, the Trust's fair value totaled \$4,076,234 and \$3,651,189, respectively, and is classified as Level 3 within the fair value hierarchy. The table below sets forth a summary of the change in the fair value of the Foundation's Level 3 beneficial interest in trust for the years ended December 31, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 3,651,189	\$ 3,061,598
Change in fair value of beneficial interest in trust	<u>425,045</u>	<u>589,591</u>
Balance, end of year	<u>\$ 4,076,234</u>	<u>\$ 3,651,189</u>

The change in fair value of beneficial interest in trust is reflected separately on the statements of activities.

NOTE 6 - AMOUNTS HELD IN TRUST FOR OTHERS

During 2005, the Foundation was appointed the successor trustee of the Charles LeGeyt Fortescue Graduate Scholarship Fund (the "Trust Fund"). The Foundation is not a beneficiary of the Trust Fund and, accordingly, has recognized a liability for the amounts held. As of December 31, 2020 and 2019, the Trust Fund's assets consist of the following:

	<u>2020</u>	<u>2019</u>
Participation in the Institute's investment pool	\$ 432,546	\$ 406,057
Cash equivalents	<u>-</u>	<u>7,585</u>
	432,546	413,642
Less: Accrued expenses	<u>(6,185)</u>	<u>(2,564)</u>
Amounts held in trust for others	<u>\$ 426,361</u>	<u>\$ 411,078</u>

The table below sets forth a summary of the change in the fair value of the Foundation's Level 3 assets held in trust for others for the years ended December 31, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 406,057	\$ 367,538
Purchases	5,470	4,931
Withdrawals	(23,000)	(22,000)
Net realized and unrealized appreciation	<u>44,019</u>	<u>55,588</u>
Balance, end of year	<u>\$ 432,546</u>	<u>\$ 406,057</u>

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

The net realized and unrealized appreciation (depreciation) related to assets held for others has not been reflected on the accompanying statements of activities.

NOTE 7 - NET ASSETS AND ENDOWMENT FUNDS

Net assets with donor restrictions are available for the following purposes at December 31, 2020 and 2019:

	2020	2019
Funds held for specific purposes:		
Awards	\$ 13,417,064	\$ 12,205,476
Educational	25,739,263	22,154,291
	39,156,327	34,359,767
Beneficial interest in trust - time restriction	4,076,234	3,651,189
Donor-restricted endowment funds, including accumulated unspent appreciation of \$141,382 and \$147,363, respectively	277,241	283,222
	<u>\$ 43,509,802</u>	<u>\$ 38,294,178</u>

Net assets with donor restrictions were released from restrictions by fulfillment of donor-imposed purpose restrictions or satisfaction of time restrictions for the years ended December 31, 2020 and 2019 as follows:

	2020	2019
Funds held for specific purposes:		
Awards	\$ 933,731	\$ 888,626
Educational	2,028,949	2,631,050
	<u>\$ 2,962,680</u>	<u>\$ 3,519,676</u>

Donor-imposed endowment net assets at December 31, 2020 and 2019 consist of assets that have been restricted by donors to be invested in perpetuity to provide a permanent source of income. The Foundation's endowment includes both donor-restricted endowment funds and a fund designated by the Board of Directors to function as an endowment (quasi-endowment). The purpose of the Foundation's quasi-endowment is to achieve a solid financial foundation for the IEEE History Center, which will enable it to plan rationally and execute effectively. See Note 1 for information regarding the IEEE History Center. The Foundation's donor-restricted endowment consists of five individual funds established principally for awards.

On September 17, 2010, the State of New York passed the New York State Prudent Management of Institutional Funds Act ("NYPMIFA"), its version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). All not-for-profit organizations formed in New York must apply this law. The Foundation classifies as donor-restricted endowment net assets, unless otherwise stipulated by the donor: (a) the original value of gifts donated to its donor-restricted endowment; (b) the original value of subsequent gifts to its donor-restricted endowment; and (c) accumulations to its donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the funds.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

The remaining portion of the donor-restricted endowment fund includes the accumulated unspent earnings on the donor-restricted endowment funds that remains within net assets with donor restrictions until such amounts are appropriated for expenditure by the Foundation in a manner consistent with the uses, benefits, purposes and duration for which the endowment is established and the standard of prudence prescribed by NYPMIFA.

The Foundation lowered endowment spending for 2020 to 4.67% from 5% spending in 2019. Endowment spending was based on the prior three-year fund balances with a one-year lag. During 2018, the Foundation approved for existing endowments a phased reduction in spending from 5% to 4% by 2022. For all newly established endowments, a 4% spending rule rate is effective immediately. No new endowments were established in 2021.

In accordance with NYPMIFA, the Foundation considers the following factors in making a determination to appropriate for expenditure or accumulate donor-restricted endowment funds: the purpose, duration, and preservation of the endowment fund; expected total return on endowment investments; general economic conditions; the possible effects of inflation and deflation; other resources of the Foundation; and the investment policy of the Foundation. The Foundation will continue to apply its endowment spending policy to all funds, even if underwater, if it is determined to be prudent.

The Foundation has adopted investment management and spending policies for endowment assets that support the objective of providing a sustainable and increasing level of endowment income distribution to support the Foundation's activities while seeking to maintain the purchasing power of the endowment assets. The Foundation's primary investment objective is preservation of capital with the secondary objective of maximizing the total returns on investment assets.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy, the objective of which is to achieve a return consisting of a combination of current income (interest and dividends) and capital appreciation, without regard to an emphasis on either, recognizing that changes in market conditions and interest rates will result in varying strategies in an attempt to optimize results. The endowment portfolio is diversified among various investment classes and strategies to help reduce risk.

The following tables summarize the Foundation's total return on endowment investments and the changes in endowment net assets for the years ended December 31, 2020 and 2019, respectively:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 277,241	\$ 277,241
Board-designated endowment fund	3,975,095	-	3,975,095
Total endowment assets	<u>\$ 3,975,095</u>	<u>\$ 277,241</u>	<u>\$ 4,252,336</u>
Endowment assets, beginning of year	\$ 3,678,328	\$ 283,222	\$ 3,961,550
Dividends and interest	74,696	5,535	80,231
Net realized and unrealized appreciation in fair value of endowment assets	397,951	26,246	424,197
New gifts - designated for endowment	25,500	12,000	37,500
Endowment return used for operations	<u>(201,380)</u>	<u>(49,762)</u>	<u>(251,142)</u>
Endowment assets, end of year	<u>\$ 3,975,095</u>	<u>\$ 277,241</u>	<u>\$ 4,252,336</u>

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 283,222	\$ 283,222
Board-designated endowment fund	3,678,328	-	3,678,328
Total endowment assets	\$ 3,678,328	\$ 283,222	\$ 3,961,550
Endowment assets, beginning of year	\$ 3,335,435	\$ 224,988	\$ 3,560,423
Dividends and interest	93,834	6,755	100,589
Net realized and unrealized appreciation in fair value of endowment assets	455,348	31,385	486,733
New gifts - designated for endowment	2,050	25,000	27,050
Endowment return used for operations	(208,339)	(4,906)	(213,245)
Endowment assets, end of year	\$ 3,678,328	\$ 283,222	\$ 3,961,550

NOTE 8 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Foundation is primarily supported by contributions (both with and without donor restrictions) and IEEE support. Because donor restrictions require resources to be used in a particular matter, the Foundation maintains sufficient resources to meet those responsibilities to its donors. The Foundation primarily invests its financial assets within the IEEE Concentration Banking program and the IEEE Long-term Investment Fund program. The assets held in the IEEE Concentration Banking program have immediate liquidity availability and the IEEE Long-term Investment Fund has a liquidity window of between 30 days and 90 days depending upon the amount of shares being requested to be liquidated. The Foundation also held U.S. Treasury bills that can be sold prior to maturity. The Foundation held U.S. Treasuries that fully matured prior to the end of 2020. At least annually, the IEEE Foundation performs a review of projected obligations to determine the appropriate level of liquidity and resulting rebalancing of assets.

IEEE Foundation, Incorporated

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

As of December 31, 2020 and 2019, the Foundation's financial assets available within one year of the statement of financial position dates for general expenditures were as follows:

	2020	2019
Cash and cash equivalents	\$ 11,494,803	\$ 10,009,975
Amounts due from IEEE	91,810	121,579
Contributions receivable	1,526,874	1,534,104
Investments, at fair value	43,877,306	40,192,169
Assets held in trust for others	426,361	411,078
	<hr/>	<hr/>
Total financial assets available within one year	57,417,154	52,268,905
Less:		
Contractual, legal or donor-imposed restrictions:		
Amounts subject to expenditure for specified purposes	38,928,547	34,182,474
Amounts relating to endowment funds with donor restrictions	277,241	283,222
Amounts held in trust for others	426,361	411,078
	<hr/>	<hr/>
Total amounts unavailable for general expenditures within one year	39,632,149	34,876,774
Board-designated endowment fund:	3,975,095	3,678,328
	<hr/>	<hr/>
Total amounts unavailable for management without Board approval	3,975,095	3,678,328
	<hr/>	<hr/>
Total financial assets available within one year after Board designations	\$ 13,809,910	\$ 13,713,803
	<hr/>	<hr/>

NOTE 9 - CONTINGENCIES

The Foundation, in the normal course of its operations, could be a party to various legal proceedings and complaints, some of which would be covered by insurance. While it is not feasible to predict the ultimate outcomes of such matters, management of the Foundation is not aware of any claims or contingencies which, if asserted, would not be covered by insurance and would have a material adverse effect on the Foundation's financial position, changes in net assets or cash flows.

NOTE 10 - RELATED-PARTY TRANSACTIONS

The Foundation is organized and operates in support of activities of the scientific and educational functions and programs of IEEE. The Foundation has no staff and thus receives certain accounting, administrative services, and program services from IEEE. The Foundation reimbursed IEEE for the cost of such services, which amounted to \$830,808 and \$809,878 during 2020 and 2019, respectively. The Institute provided fundraising administrative services (contributed services) during 2020 and 2019 that were not reimbursed by the Foundation. Such contributed services recorded by the Foundation totaled \$1,221,335 and \$1,286,592 during 2020 and 2019, respectively.

The Foundation received annual cash contributions from IEEE in the amounts of \$423,000 and \$409,000 during 2020 and 2019, respectively. Such contributions were included within net assets without donor restrictions as of December 31, 2020 and 2019, respectively.

IEEE Foundation, Incorporated**NOTES TO FINANCIAL STATEMENTS - CONTINUED****December 31, 2020 and 2019**

During 2020, the Institute also contributed an additional \$850,000 for the IEEE Control Systems Society Fund, \$250,000 for the IEEE PELS Humanitarian and Outreach Fund, and \$100,000 for the IEEE NPSS Edward J Hoffman Memorial Fund. During 2019, the Institute contributed an additional \$263,000 for the IEEE Vehicular Technology Society Awards Fund, and \$150,000 for the IEEE Signal Processing Student & Young Professional Fund. Such contributions were included within net assets with donor restrictions as of December 31, 2020 and 2019, respectively.

The Institute solicits contributions on behalf of the Foundation through its annual member renewal process, which totaled \$533,166 and \$579,757 in 2020 and 2019, respectively.

NOTE 11 - COVID-19

The COVID-19 pandemic, whose effects first became known in January 2020, has caused economic interruptions through mandated and voluntary closings of businesses and organizations throughout the United States. The extent of the impact of COVID-19 on the Foundation's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impact on the Foundation's operations, all of which at present cannot be determined. Accordingly, the extent to which COVID-19 may impact the Foundation's financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.