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SUPPORT TO
ELIMINATE
RACISM

*FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT*

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
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Independent Auditors' Report

To the Board of Directors
ERASE Racism, Inc.
Syosset, NY 11791-4401

We have audited the accompanying financial statements of ERASE Racism, Inc. ("ERASE," a not-for-profit corporation), 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditors' 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 ERASE'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 ERASE'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 ERASE as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Cerini & Associates LLP

March 27, 2020
Bohemia, New York

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

2019

2018

ASSETS		
Current Assets:		
Cash and cash equivalents.....	\$ 29,406	\$ 52,762
Restricted cash and cash equivalents.....	63,081	176,588
Current portion of contributions and grants receivable.....	120,965	29,800
Prepaid expenses and other current assets.....	8,573	12,128
TOTAL CURRENT ASSETS	222,025	271,278
Contributions and grants receivable, net of current portion.....	57,093	-
Property and equipment, net of accumulated depreciation	3,827	6,225
Security deposit.....	6,969	6,969
TOTAL ASSETS	\$ 289,914	\$ 284,472
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 55,501	\$ 38,996
Deferred revenue.....	500	500
TOTAL LIABILITIES	56,001	39,496
Net Assets:		
Without donor restrictions.....	37,638	68,388
With donor restrictions.....	196,275	176,588
TOTAL NET ASSETS	233,913	244,976
TOTAL LIABILITIES AND NET ASSETS	\$ 289,914	\$ 284,472

ERASE RACISM, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE:			
Contributions and grants.....	\$ 252,448	\$ 186,988	\$ 439,436
Registration fees.....	12,350	-	12,350
Consulting fees.....	30,350	-	30,350
Other income.....	2,770	-	2,770
Net assets released from restrictions.....	167,301	(167,301)	-
Gross proceeds from special events.....	273,203	-	273,203
Less: direct benefits to donors.....	(66,039)	-	(66,039)
Net proceeds from special events.....	<u>207,164</u>	<u>-</u>	<u>207,164</u>
Total Support and Revenue	672,383	19,687	692,070
EXPENSES:			
Program services:			
Housing.....	80,977	-	80,977
Education.....	212,138	-	212,138
Public education/seminars.....	40,875	-	40,875
Partner.....	206,512	-	206,512
Racism research.....	54,247	-	54,247
Youth.....	<u>23,556</u>	<u>-</u>	<u>23,556</u>
Total Program Services	618,305	-	618,305
Supporting services:			
Management and general.....	28,315	-	28,315
Development.....	<u>56,513</u>	<u>-</u>	<u>56,513</u>
Total Supporting Services	<u>84,828</u>	<u>-</u>	<u>84,828</u>
Total Expenses	<u>703,133</u>	<u>-</u>	<u>703,133</u>
Change in net assets.....	(30,750)	19,687	(11,063)
Net assets, beginning of year.....	<u>68,388</u>	<u>176,588</u>	<u>244,976</u>
Net assets, end of year.....	<u>\$ 37,638</u>	<u>\$ 196,275</u>	<u>\$ 233,913</u>

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE:			
Contributions and grants.....	\$ 288,370	\$ 161,872	\$ 450,242
Registration fees.....	11,625	-	11,625
Consulting fees.....	5,450	-	5,450
Other income.....	3,002	-	3,002
Net assets released from restrictions.....	156,246	(156,246)	-
Gross proceeds from special events.....	219,738	-	219,738
Less: direct benefits to donors.....	<u>(61,684)</u>	<u>-</u>	<u>(61,684)</u>
Net proceeds from special events.....	<u>158,054</u>	<u>-</u>	<u>158,054</u>
Total Support and Revenue	622,747	5,626	628,373
EXPENSES :			
Program services:			
Housing.....	20,111	-	20,111
Education.....	218,236	-	218,236
Public education/seminars.....	30,374	-	30,374
Partner.....	193,355	-	193,355
Racism research.....	77,569	-	77,569
Youth.....	<u>12,167</u>	<u>-</u>	<u>12,167</u>
Total Program Services	551,812	-	551,812
Supporting services:			
Management and general.....	35,050	-	35,050
Development.....	<u>130,985</u>	<u>-</u>	<u>130,985</u>
Total Supporting Services	<u>166,035</u>	<u>-</u>	<u>166,035</u>
Total Expenses	<u>717,847</u>	<u>-</u>	<u>717,847</u>
Change in net assets.....	(95,100)	5,626	(89,474)
Net assets, beginning of year.....	<u>163,488</u>	<u>170,962</u>	<u>334,450</u>
Net assets, end of year.....	<u>\$ 68,388</u>	<u>\$ 176,588</u>	<u>\$ 244,976</u>

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Program Services						Supporting Services		Total Expenses	
	Housing	Education	Public Education / Seminars	Partner	Racism Research	Youth	Total Program	Management and General		Development
Staff leasing expense.....	\$ 61,527	\$ 177,760	\$ 20,649	\$ 134,712	\$ 36,481	\$ 14,727	\$ 445,856	\$ 686	\$ 40,431	\$ 486,973
Professional fees.....	5,445	7,514	12,771	41,230	678	620	68,258	14,121	871	83,250
Telecommunications.....	371	3,183	120	2,852	193	113	6,832	1,708	495	9,035
Equipment and maintenance.....	159	785	55	615	6,673	35	8,322	571	230	9,123
Supplies.....	321	1,225	143	741	587	1,802	4,819	1,780	752	7,351
Conferences.....	65	2,217	1,337	26	-	4,723	8,368	1,209	81	9,658
Travel and entertainment.....	1,825	4,104	4,306	178	58	326	10,797	408	1,468	12,673
Postage and delivery.....	325	72	16	3,157	235	2	3,807	255	2,959	7,021
Occupancy.....	1,596	7,519	249	5,971	746	499	16,580	2,849	1,993	21,422
Utilities	447	2,159	83	1,659	208	216	4,772	360	567	5,699
Printing and production.....	4,582	1,210	985	5,964	-	255	12,996	-	-	12,996
Insurance.....	1,241	3,163	125	2,505	321	178	7,533	513	926	8,972
Advertising.....	25	120	-	3,608	2,925	-	6,678	-	-	6,678
Miscellaneous.....	2,856	202	-	2,575	5,052	-	10,685	3,699	5,500	19,884
Depreciation.....	192	905	36	719	90	60	2,002	156	240	2,398
	<u>\$ 80,977</u>	<u>\$ 212,138</u>	<u>\$ 40,875</u>	<u>\$ 206,512</u>	<u>\$ 54,247</u>	<u>\$ 23,556</u>	<u>\$ 618,305</u>	<u>\$ 28,315</u>	<u>\$ 56,513</u>	<u>\$ 703,133</u>

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Program Services						Supporting Services		Total Expenses	
	Housing	Education	Public Education / Seminars	Partner	Racism Research	Youth	Total Program	Management and General		Development
Staff leasing expense.....	\$ 13,979	\$ 189,862	\$ 18,554	\$ 138,818	\$ 59,395	\$ 6,204	\$ 426,812	\$ 5,476	\$ 112,217	\$ 544,505
Professional fees.....	221	4,250	7,237	9,025	1,504	125	22,362	13,445	1,728	37,535
Telecommunications.....	66	2,923	68	2,835	202	33	6,127	1,658	663	8,448
Equipment and maintenance....	28	789	60	799	6,727	12	8,415	315	328	9,058
Supplies.....	-	901	22	499	148	-	1,570	2,556	703	4,829
Conferences.....	29	1,202	803	20,479	-	5,386	27,899	632	237	28,768
Travel and entertainment.....	964	3,085	2,644	897	30	175	7,795	817	937	9,549
Postage and delivery.....	-	78	-	2,763	233	-	3,074	900	2,677	6,651
Occupancy.....	293	6,843	343	5,670	978	147	14,274	3,291	3,470	21,035
Utilities	72	1,738	84	1,391	240	36	3,561	442	852	4,855
Printing and production.....	-	1,768	404	4,370	598	-	7,140	-	331	7,471
Insurance.....	2,101	3,431	126	2,094	474	35	8,261	377	1,871	10,509
Advertising.....	-	1,192	-	2,222	1,000	-	4,414	250	-	4,664
Miscellaneous.....	2,353	29	-	1,054	5,992	-	9,428	4,794	4,783	19,005
Depreciation	5	145	29	439	48	14	680	97	188	965
	<u>\$ 20,111</u>	<u>\$ 218,236</u>	<u>\$ 30,374</u>	<u>\$ 193,355</u>	<u>\$ 77,569</u>	<u>\$ 12,167</u>	<u>\$ 551,812</u>	<u>\$ 35,050</u>	<u>\$ 130,985</u>	<u>\$ 717,847</u>

ERASE RACISM, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,**

2019 2018

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets.....	\$ (11,063)	\$ (89,474)
<u>Adjustment to reconcile change in net assets to net cash (used in)/provided by operating activities:</u>		
Depreciation.....	2,398	965
<u>Changes in operating assets and liabilities:</u>		
Contributions and grants receivable.....	(148,258)	141,683
Prepaid expenses and other current assets.....	3,555	(3,766)
Accounts payable and accrued expenses.....	16,505	(3,853)
Deferred revenue.....	-	(1,000)
Net cash (used in)/provided by operating activities	(136,863)	44,555

CASH FLOWS USED IN INVESTING ACTIVITIES:

Purchases of property and equipment.....	-	(7,190)
Net change in cash and cash equivalents	(136,863)	37,365

Cash and cash equivalents, beginning of year.....	229,350	191,985
Cash and cash equivalents, end of year.....	<u>\$ 92,487</u>	<u>\$ 229,350</u>

COMPONENTS OF CASH AND CASH EQUIVALENTS:

Cash and cash equivalents.....	\$ 29,406	\$ 52,762
Restricted cash and cash equivalents.....	63,081	176,588
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 92,487</u>	<u>\$ 229,350</u>

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of ERASE Racism, Inc. (hereinafter "ERASE") is presented to assist in understanding ERASE's financial statements. The financial statements and notes are representations of ERASE's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Organization: ERASE was founded in 2001 as an initiative of The Long Island Community Foundation ("LICF"), a division of The New York Community Trust ("NYCT"). It operates as an education and networking hub for leaders from nonprofits; local government; businesses; community groups; and health, education, welfare, and philanthropic organizations who are motivated to rid the region of institutional racism. In December of 2003, ERASE was incorporated in New York State. During 2004, ERASE obtained its tax-exempt status and separated from NYCT.

ERASE is a regional organization that leads public policy advocacy campaigns and related educational and programmatic initiatives to promote racial equity in areas such as housing, public school education, and healthcare, primarily on Long Island. Because of ERASE's work, racism—long a taboo subject—has become part of the regular discourse of public officials and other regional leaders. Consequently, ERASE's call to address racial inequity is now given serious consideration by regional leaders.

ERASE primarily receives its support from foundation and corporate grants and contributions, as well as an annual event, for the support of its efforts to engage individuals and organizations in educational and problem solving activities designed to increase public awareness of the history and effects of institutional racism in the region and to promote policies and practices that address the disparities and inequities resulting from institutional racism. Individual contributions and program fees provide additional support.

Cash and Cash Equivalents: All short-term investments with original maturities of three months or less are accounted for as cash equivalents and include checking, savings, and money market accounts.

Income Tax Status: ERASE is exempt from federal income tax under Internal Revenue Code Section 501(c)(3), is publicly supported, as described in Section 509(a), and does not conduct unrelated business activities.

ERASE has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. ERASE has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements for 2019 and 2018.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ERASE files an IRS Form 990 and respective state and local tax returns. These tax returns are subject to review and examination by federal, state, and local taxing authorities. ERASE has determined that it has registered in all states where it is required to be registered.

Basis of Accounting: The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Revenue Recognition: ERASE recognizes revenue from grants and contributions in the period these grants and contributions are pledged. Revenue received under these grants and contributions is usually unrestricted as to use. All other contributions are recognized as revenue upon the receipt of cash. ERASE recognizes consulting fees and registration fees at the time services are performed. Fees received in advance of services are reported as deferred revenue in the accompanying statements of financial position.

Financial Statement Presentation: ERASE is required to report information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of ERASE. These net assets may be used at the discretion of ERASE's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ERASE or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. ERASE did not have any funds that were stipulated by the donor to be maintained in perpetuity as of December 31, 2019 and 2018.

Contributions: Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions when a restriction expires in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Fundraising Events: ERASE holds fundraising events to provide additional support for its mission. Revenue from these events is recorded at the time the event takes place. Costs incurred for which a donor receives a direct benefit, exchange transactions, have been offset against the revenue earned in the statements of activities. Other costs related to the event for which the donor does not receive a direct benefit are included within fundraising costs in the statements of functional expenses.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Property and Equipment, Net: Property and equipment are stated at cost. Those assets acquired by donation are carried at fair market value established at the date of acquisition. Maintenance and repairs are charged to expense and betterments in excess of \$1,000 are capitalized.

Depreciation expense is computed using the straight-line method over each asset’s estimated useful life as follows:

	<u>Years</u>
Furniture and fixtures	7
Office equipment	3-5
Computer equipment.....	3

Functional Allocation of Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Expenses have been allocated between program services and support services based on an analysis of personnel time for related activities. Some indirect costs including utilities, rent, and telephone are allocated based upon the time spent by staff categories. Other indirect costs such as legal/accounting have all been allocated to management and general, as these are not affiliated with program related initiatives but provide for the overall support and direction of ERASE.

Grants and Contributions Receivable: Grants and contributions receivable include unconditional promises to give. Management deems all grants and contributions receivable at December 31, 2019 and 2018 fully collectible. As such, no reserve for doubtful accounts has been established.

Leased Employees: ERASE has a year-to-year contract with Alcott Staff Leasing, Inc. (“Alcott”), a professional employer organization for leased employees. Alcott provides comprehensive human resource services to ERASE and is responsible for personnel, administrative, and benefits management functions, as well as payroll processing. Since Alcott is the employer of record for all employees assigned to ERASE, they are included in the Alcott quarterly Internal Revenue Service (“IRS”) Form 941, New York State Form NYS-45, and statutory New York State disability and workers compensation filings. Alcott carries a surety bond of \$1 million, and in addition to an annual financial statement audit, undergoes quarterly agreed-upon procedures engagements intended to provide substantial assurance that all appropriate payroll taxes are paid and filed when due.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Services: Certain individuals with specific expertise have provided services to ERASE on a pro-bono basis, which they would have paid for, had they not been donated. Such amounts have been recorded as both donated income and related expense. ERASE did not receive any donated services during 2019 or 2018. In addition, many individuals expend a significant level of time performing a variety of program functions and other tasks for ERASE, which do not require specific expertise. As such, these amounts are not reflected as donated services in the accompanying financial statements.

New Accounting Pronouncement: During the year ended December 31, 2018, ERASE adopted ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. ERASE has adjusted the presentation of these statements accordingly.

On January 1, 2019, ERASE adopted ASU 2014-09 *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, “ASC 606”), which (i) creates a single framework for recognizing revenue from contracts with customers that fall within its scope and (ii) revises when it is appropriate to recognize a gain (loss) from the transfer of nonfinancial assets. ERASE’s services that fall within the scope of ASC 606 are presented within fundraising events revenue, consulting fees revenue, and registration fees revenue and are recognized as revenue as ERASE satisfies its obligations to the customers. There was no impact on net assets attributable to the adoption of ASC 606.

Events Occurring After Report Date: ERASE has evaluated events and transactions that occurred between January 1, 2020 and March 27, 2020, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 2 - CONCENTRATIONS OF CREDIT RISK AND SUPPORT

Financial instruments that potentially subject ERASE to concentrations of credit risk consist principally of cash and cash equivalents. Throughout the year, ERASE has cash or deposits with financial institutions that are in excess of Federal Deposit Insurance Corporation limits. ERASE’s cash and cash equivalent accounts have been placed with high credit quality financial institutions. ERASE has not experienced, nor does it anticipate, any losses with respect to such accounts.

Approximately 40% of total support and revenue in 2019 was from two donors. Approximately 37% of total support and revenue in 2018 was from two donors.

NOTE 3 - LEASED FACILITIES

During 2017, ERASE amended an existing lease for its current facilities in Syosset, New York twice to extend the term of the lease through January 31, 2019 with equal monthly installments of \$2,028.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 3 - LEASED FACILITIES (continued)

Effective December 23, 2018, the lease was extended through January 31, 2021 with monthly installments of \$2,128 commencing February 1, 2019 through January 31, 2020 and payments of \$2,261 commencing February 1, 2020 through January 31, 2021.

Future obligations under this lease are as follows for the years ending December 31,:

2020.....	\$ 26,999
2021.....	<u>2,261</u>
Total obligation.....	<u>\$ 29,260</u>

Total rent expense incurred under operating leases totaled \$21,422 and \$21,035 for the years ended December 31, 2019 and 2018, respectively.

NOTE 4 - OPERATIONS

The overall mission that has guided ERASE’s work from its inception continued in 2019. This mission is to expose forms of racial discrimination and advocate for the engagement of the public in changing laws and policies to help eliminate racial disparities, particularly in the areas of housing, community development, and public education. ERASE’s vision is to seek transformed, integrated communities in which no person’s access to opportunity is limited by race or ethnicity.

The days of rampant and violent acts of racial discrimination, fueled by racial prejudice, in the United States and on Long Island have been curbed by civil rights laws. It is well documented, however, that skin color and ancestry are still a basis for discrimination—limiting choices and producing inequitable treatment and outcomes in public education, housing, and community development. In addition, many so-called “race neutral” decisions and policies in fact result in racial discrimination, produce racially disparate impacts, and perpetuate patterns of discrimination and racial segregation. This reality underpins ERASE’s beliefs that:

- Civil rights laws must be enforced.
- Discriminatory policies must end.
- Inaction in regard to racial inequities is discrimination.

ERASE achieves its objectives via research, public education, policy advocacy, legal actions, and civic engagement of Long Island leaders, community organizations, and community residents of various ages and backgrounds.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 4 - OPERATIONS (continued)

Accomplishments during 2019

Education Equity Initiative

Although Long Island has become more diverse in recent decades, its public schools have become more segregated and unequal. In addition to documenting this trend and its consequences – especially for black and Latino students – ERASE’s Education Equity Initiative promotes priorities, strategies, and measures that are achievable in a region with 125 separate, self-taxing school districts.

The Education Equity Initiative consists of the following interrelated elements:

- A Student Voices Campaign that equips students with knowledge and leadership skills to stand for inclusion and equity in their schools and districts.
- A Parent Organizing component to equip and rally parents behind policies and practices that advance inclusion and equity.
- Knowledge and Awareness-Building via social, alternative, and traditional media as well as workshops and forums.
- A Professional Development Program for Teachers lauded for its workshops on culturally responsive pedagogy, understanding and eliminating bias, and serving diverse classrooms.
- An Education Equity Working Group consisting of 319 area educators, parents, academics, and advocates.
- Advocacy aimed at state, local, and district policies and practices, so that they encourage rather than inhibit integration and equity.
- Mobilization of partners and the public to challenge segregation and inequity.

A sampling of activities and accomplishments to advance education equity in 2019:

- The Rauch Foundation renewed its support of the Initiative with a \$100,000 grant. Other institutional funding came from the Long Island Unitarian Universalist Fund, Capital One, Bethpage Federal Credit Union, and the Nassau Bar WE CARE Fund. Additional funding from the Rauch Foundation underwrote fellowships for Long Island educators to attend the Reimagining Education Summer Institute at Teachers College, Columbia University as well as a communications consultant who continued to gain important visibility in regional and local media.
- ERASE launched a Parent Organizing component in the Sewanhaka Central High School district. Parents advocated for a new code of conduct to address racial slurs at sporting events, which the school board is considering as of this writing. Parents also discussed the importance of restorative justice, teacher diversity, and culturally responsive curricula (“CRSE”), and they also expressed concern at vape shops in proximity to school facilities, with one parent circulating a petition on this issue, which ERASE shared with over 2,000 people in its database. To keep parents engaged and informed, ERASE prepared and sent a parent newsletter to 58 recipients.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 4 - OPERATIONS *(continued)*

- As part of its “How Do We Build a Just Long Island” series of public forums, ERASE co-organized two high profile education-related forums. The first was a day-long CRSE Forum at Molloy College attended by 100 educators, students, and community members. Members of ERASE’s Student Task Force for Racial and Socioeconomic Justice assumed prominent roles as organizers and workshop leaders, providing a much-needed student perspective on inclusive and integrative learning environments and education equity. Co-organizers included Molloy College Doctoral Program in Education and The Links, Inc., Long Island Chapter. The forum received prominent coverage in *Newsday*, *Rockville Centre Herald*, Fios1 News, and News12.

In May 2019, ERASE co-organized a forum on educator diversity with the Center for Suburban Studies at Hofstra University and Education Trust-New York. It highlighted the findings of the National Center for Suburban Studies’ extensive report *Teacher Diversity in Long Island Schools*, experiences of teachers of color, and steps that districts can take to diversify their workforces. More than 200 attended, and the forum and discussion received prominent coverage in *Newsday*.

- ERASE’s Student Voices Campaign equipped students across Long Island with leadership skills, facilitated meaningful interactions with students of different backgrounds and districts, and imparted knowledge about the history behind Long Island’s segregated towns and school districts and how they can advance equity and inclusion in their schools and communities. It did this via the following programs:
 - The third annual *Long Island’s Leaders of Tomorrow* inter-district student conferences took place on November 8 and 15, 2019. More than 200 high school students from 27 districts attended. At these day-long conferences, students learned leadership skills, engaged with those of different racial and socioeconomic backgrounds and districts, discussed the benefits of equity and inclusion, and developed strategic action plans to help guide them in the process of initiating change in their communities.
 - The Student Task Force for Racial and Socioeconomic Equity plays a leadership role in the Student Voices Campaign. In 2019, it grew to 24 students from fifteen districts and two private schools. In addition to helping to organize and leading workshops at the CRSE Forum, Task Force members presented to educators from across the U.S. at the four-day *Reimagining Education Summer Institute* at Columbia University Teachers College. Throughout the year, members met regularly, researched demographics of their communities, and set goals for advancing inclusion in their schools and communities.
 - ERASE provided interactive workshops to 480 students at six high schools. Workshops addressed implicit bias, race and racism, cultural sensitivity, and restorative justice.
 - In May 2019, ERASE announced its second annual “Raise Your Voice Essay Contest.” Four winners received \$500 scholarships underwritten by ERASE’s partner SCOPE Educational Services.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 4 - OPERATIONS (continued)

- Advocacy efforts continued in 2019, with ERASE conducting a first-ever dinner/meeting of fourteen Long Island superintendents. Superintendents discussed teacher diversity, a history curriculum that addresses historic discrimination on Long Island, and culturally responsive education. The conversation with the superintendents is continuing.

ERASE's participation in the New York State Education Department's ("NYSED") CRSE Initiative in 2018, as well as continuing to highlight this issue via public forums and the media, helped to realize NYSED's adoption of a CRSE framework in May 2019.

- ERASE sent five *EMERGE* e-newsletters to nearly 4,000 subscribers for each. The newsletters announced the *Long Island's Leaders of Tomorrow* conferences and the *Reimagining Education* Institute; provide details on the CRSE and teacher diversity forums; and announced the essay contest and Student Task Force activities among other information.
- ERASE increased its Education Equity Working Group from 289 to 319 members.

Inclusive Housing Program

The Inclusive Housing Program promotes effective fair housing laws, nondiscriminatory affordable housing policies, and vigilant fair housing enforcement. We also organize residents to engage in civic actions to support these activities. In recent years we have used our research and documentation to strengthen fair housing laws, successfully settle federal housing discrimination lawsuits, and elevate the voices of people in low-income housing.

A sampling of activities and accomplishments to advance inclusive housing in 2019:

- In September, Enterprise Community Partners selected ERASE as one of three organizations throughout New York State for its two-year Community Organizer Fellowship. Funding supports a housing organizer to educate and mobilize residents and other organizations around projects, proposals, and policies that increase affordable housing on Long Island, especially housing that challenges racial segregation and discrimination.
- ERASE's 2016 founding of a statewide coalition to ban discrimination based on legal, non-wage source of income ("SOI") bore fruit in April 2019, when Governor Cuomo signed an amendment to New York State's Human Rights Law. The amendment makes it illegal for landlords and their representatives to discriminate if a tenant or prospective tenant receives SOI. Reliance on legal non-wage sources of income, including Section 8 housing choice vouchers, Social Security, and child support, is extensive. More than 576,000 low-income New Yorkers use federal rental assistance to pay for housing.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 4 - OPERATIONS (continued)

- In response to the federal Department of Housing and Urban Development (“HUD”’s) proposed change to the Disparate Impact standard—which historically prohibited policies and practices that have a disproportionate impact on protected class members—ERASE exhorted partners and constituents to oppose the change during HUD’s mandatory 60-day comment period. Some 45,750 comments were submitted.
- *Newsday* credited ERASE as a key impetus behind its “Long Island Divided” investigation, which it released in November. ERASE leveraged the series to push for resources to monitor and investigate housing discrimination, stronger protections for homebuyers, and stiff penalties for agents continuing to discriminate. The Nassau and Suffolk county executives announced broad plans to combat the practices documented in “Long Island Divided,” and the New York State Attorney General directed her office’s Civil Rights Bureau to investigate reports of housing discrimination.
- ERASE’S president and the Fair Housing Justice Center were the star witnesses at a joint hearing convened by the New York State Senate in the wake of “Long Island Divided.” The two organizations also released a five-point plan to address housing discrimination.
- ERASE, Urban League of Long Island, NAACP, and Economic Opportunity Council of Suffolk convened a Town Hall to discuss the findings of “Long Island Divided.” The Town Hall took place in Melville and featured a discussion with Olivia Winslow and Keith Herbert, the reporters who led the investigation.

Community Education and Mobilizing the Partnership for Racial Equity

- Following five high-profile public forums across Long Island in late 2018, ERASE continued to prominently pose this question via additional forums (see above) as well as print, broadcast, digital and social media. Since launching the forums, more than 120 features, articles, and interviews highlighted ERASE and its message. Media highlights included WNYC’s *The Brian Lehrer Show*, *WLIW’s Metrofocus*, and numerous features in *Newsday*.
- In response to the federal government’s continued rollback of civil rights in education and housing, in October 2019 ERASE released the comprehensive report *Civil Rights Rollback: U.S. Government Actions to Reduce Civil Rights in Housing and Public Education*. The report provides an analysis of the federal government’s actions and calls for monitoring, vigilance, and activism on the part of all Americans who care about civil rights, and includes civil rights trackers to help citizens do this. Along with the report, ERASE installed a civil rights tracker on its website.

NOTE 5 - LINE OF CREDIT

ERASE has a line of credit (“LOC”) with Bethpage Federal Credit Union which allows borrowings of up to \$45,000 and charges an interest rate of 4.75%. There was no borrowing against this LOC at December 31, 2019 and 2018. The LOC is renewed annually.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 6 - AVAILABILITY AND LIQUIDITY

The following represents ERASE's financial assets at December 31,:

	2019	2018
Financial assets at year-end:		
Cash and cash equivalents.....	\$ 29,406	\$ 52,762
Restricted cash and cash equivalents	63,081	176,588
Contributions and grants receivable	178,058	29,800
Total financial assets	270,545	259,150
Receivables scheduled to be collected in more than one year.....	(57,093)	-
Contractual or donor-imposed restrictions:		
Purpose restrictions to be met in less than a year	(139,182)	(176,588)
Financial assets available to meet general expenditures over the next twelve months.....	\$ 74,270	\$ 82,562

ERASE's goal is generally to maintain financial assets to meet sixty days of operating expenses (approximately \$115,000). ERASE has a \$45,000 line of credit available to meet cash flow needs (refer to Note 5).

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were as follows at December 31,:

	2019	2018
Specific Purpose		
Education.....	\$ 40,073	\$ 117,738
Housing.....	144,702	5,000
Partner.....	5,000	53,850
Program Development.....	6,500	-
Total.....	\$ 196,275	\$ 176,588

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

	2019	2018
Satisfaction of Purpose Restrictions		
Education.....	\$ 113,451	\$ 147,525
Partner.....	15,000	-
Program Development.....	38,850	8,721
Total.....	\$ 167,301	\$ 156,246

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS (continued)

Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions. During the years ended December 31, 2019 and 2018, ERASE received \$126,762 and \$118,249, respectively, in contributions whose restrictions had been met within the year of contribution and have been reflected as without donor restrictions in the accompanying statements of activities.

Cash and cash equivalents have been restricted in accordance with donor restricted net assets held at year-end. At December 31, 2019 and 2018, net assets with donor restrictions of \$196,275 and \$176,588 consisted of \$63,081 and \$176,588 of restricted cash and cash equivalents, respectively. At December 31, 2019, \$133,194 of restricted net assets were included as part of contributions and grants receivable.