

E·R·A·S·E



EDUCATION  
RESEARCH  
ADVOCACY &  
SUPPORT TO  
ELIMINATE

**RACISM**

*FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITORS' REPORT*

*FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009*

---



**CERINI**  
*&*  
LLP  
**ASSOCIATES**

CERTIFIED PUBLIC ACCOUNTANTS

Connected  
to your business  
goals  
success

***FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITORS' REPORT  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
TABLE OF CONTENTS***

---

Independent Auditors' Report .....1

**Audited Financial Statements**

Statements of Financial Position.....2  
Statement of Activities for the year ended December 31, 2010.....3  
Statement of Activities for the year ended December 31, 2009.....4  
Statement of Functional Expenses for the year ended December 31, 2010 .....5  
Statement of Functional Expenses for the year ended December 31, 2009 .....6  
Statements of Cash Flows.....7  
Notes to Financial Statements.....8

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying statements of financial position of ERASE Racism, Inc. ("ERASE," a not-for-profit corporation) as of December 31, 2010 and 2009, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of ERASE's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our 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, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with the accounting principles generally accepted in the United States of America.

*Cerini & Associates LLP*

May 6, 2011  
Bohemia, New York

**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31,**

2010

2009

**ASSETS**

**Current Assets:**

Cash and cash equivalents.....	\$ 37,913	\$ 255,300
Restricted cash and cash equivalents (Note 6).....	186,919	20,000
Contributions and grants receivable (Note 6).....	62,650	55,700
Prepaid expenses and other current assets.....	3,847	6,494

**TOTAL CURRENT ASSETS** 291,329 337,494

Property and equipment, net of accumulated depreciation (Note 2).....	1,543	3,086
Security deposit.....	6,969	6,969

**TOTAL ASSETS** \$ 299,841 \$ 347,549

**LIABILITIES AND NET ASSETS**

**Current Liabilities:**

Accounts payable and accrued expenses .....	\$ 22,691	\$ 17,396
Deferred revenue.....	500	-

**TOTAL LIABILITIES** 23,191 17,396

Commitments and contingencies (Notes 3, 4, and 6)

**Net Assets:**

Unrestricted.....	31,731	310,153
Temporarily restricted (Note 6).....	244,919	20,000

**TOTAL NET ASSETS** 276,650 330,153

**TOTAL LIABILITIES AND NET ASSETS** \$ 299,841 \$ 347,549

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUE (Note 3) :</b>			
Contributions and grants (Note 6).....	\$ 94,871	\$ 244,919	\$ 339,790
Registration fees.....	17,450	-	17,450
Consulting fees.....	3,600	-	3,600
Other income.....	2,219	-	2,219
Net assets released from restrictions (Note 6).....	20,000	(20,000)	-
Gross proceeds from special events.....	125,062	-	125,062
Less: direct benefits to donors.....	(44,953)	-	(44,953)
Net proceeds from special events.....	80,109	-	80,109
<b>Total Support and Revenue</b>	<b>218,249</b>	<b>224,919</b>	<b>443,168</b>
<b>EXPENSES (Note 5):</b>			
Program services:			
Housing.....	19,217	-	19,217
Education.....	77,989	-	77,989
Healthcare.....	4,481	-	4,481
Public education/seminars.....	41,631	-	41,631
Partner.....	100,912	-	100,912
Racism research.....	6,022	-	6,022
Youth.....	40,248	-	40,248
<b>Total Program Services</b>	<b>290,500</b>	<b>-</b>	<b>290,500</b>
Supporting services:			
Management and general.....	118,414	-	118,414
Development.....	87,757	-	87,757
<b>Total Supporting Services</b>	<b>206,171</b>	<b>-</b>	<b>206,171</b>
<b>Total Expenses</b>	<b>496,671</b>	<b>-</b>	<b>496,671</b>
Change in net assets.....	(278,422)	224,919	(53,503)
Net assets, beginning of year.....	310,153	20,000	330,153
Net assets, end of year.....	<u>\$ 31,731</u>	<u>\$ 244,919</u>	<u>\$ 276,650</u>

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>SUPPORT AND REVENUE (Note 3) :</b>			
Contributions and grants (Note 6).....	\$ 144,083	\$ 20,000	\$ 164,083
Registration fees.....	21,025	-	21,025
Consulting fees.....	7,800	-	7,800
Other income.....	450	-	450
Net assets released from restrictions (Note 6).....	268,476	(268,476)	-
Gross proceeds from special events.....	86,647	-	86,647
Less: direct benefits to donors.....	(28,413)	-	(28,413)
Net proceeds from special events.....	58,234	-	58,234
<b>Total Support and Revenue</b>	<b>500,068</b>	<b>(248,476)</b>	<b>251,592</b>
<b>EXPENSES (Note 5):</b>			
Program services:			
Housing.....	51,538	-	51,538
Education.....	44,806	-	44,806
Healthcare.....	10,035	-	10,035
Public education/seminars.....	70,660	-	70,660
Partner.....	59,553	-	59,553
Racism research.....	4,557	-	4,557
Youth program.....	-	-	-
<b>Total Program Services</b>	<b>241,149</b>	<b>-</b>	<b>241,148</b>
Supporting services:			
Management and general.....	97,859	-	97,859
Development.....	70,380	-	70,380
<b>Total Supporting Services</b>	<b>168,239</b>	<b>-</b>	<b>168,239</b>
<b>Total Expenses</b>	<b>409,388</b>	<b>-</b>	<b>409,388</b>
Change in net assets.....	90,680	(248,476)	(157,796)
Net assets, beginning of year.....	219,473	268,476	487,949
Net assets, end of year.....	<u>\$ 310,153</u>	<u>\$ 20,000</u>	<u>\$ 330,153</u>

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	Program Services							Supporting Services			
	Housing	Education	Healthcare	Public Education / Seminars	Partner	Racism Research	Youth	Total Program	Management and General	Development	Total Expenses
Staff leasing expense	\$ 15,909	\$ 51,266	\$ 3,832	\$ 28,218	\$ 62,467	\$ 4,891	\$ 30,875	\$ 197,458	\$ 73,183	\$ 37,397	\$ 308,038
Professional fees	216	14,852	39	488	12,985	59	788	29,427	24,337	37,977	91,741
Telecommunications	293	1,891	69	526	4,541	88	579	7,987	2,240	684	10,911
Equipment and maintenance	139	455	34	254	551	43	281	1,757	2,361	331	4,449
Supplies	2	302	1	181	84	3	223	796	3,010	925	4,731
Conferences	133	257	14	3,755	440	80	3,640	8,319	1,235	29	9,583
Travel and entertainment	575	401	61	4,260	145	18	68	5,528	726	594	6,848
Postage and delivery	27	1,267	-	180	1,605	-	191	3,270	434	4,010	7,714
Occupancy (Note 4)	788	2,541	189	1,441	3,122	242	1,592	9,915	3,678	1,877	15,470
Utilities (Note 4)	308	996	74	566	1,224	95	625	3,888	1,443	735	6,066
Printing and production	332	2,332	67	993	7,668	374	538	12,304	531	14	12,849
Insurance	342	1,101	82	625	1,353	105	690	4,298	1,596	814	6,708
Miscellaneous	74	75	-	-	4,416	-	-	4,565	3,272	2,183	10,020
Depreciation	79	253	19	144	311	24	158	988	368	187	1,543
	\$ 19,217	\$ 77,989	\$ 4,481	\$ 41,631	\$ 100,912	\$ 6,022	\$ 40,248	\$ 290,500	\$ 118,414	\$ 87,757	\$ 496,671

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2009

	Program Services						Supporting Services			Total Expenses	
	Housing	Education	Healthcare	Public Education/ Seminars	Partner	Racism Research	Youth	Total Program	Management and General		Development
Staff leasing expense	\$ 36,859	\$ 25,056	\$ 8,110	\$ 33,088	\$ 45,980	\$ 3,482	\$ -	\$ 152,575	\$ 29,815	\$ 36,714	\$ 219,104
Professional fees	6,491	13,783	66	25,528	1,444	37	-	47,349	42,154	22,364	111,867
Telecommunications	1,047	707	244	985	1,374	88	-	4,445	964	1,070	6,479
Equipment and maintenance	322	252	74	303	422	29	-	1,402	2,552	329	4,283
Supplies	26	38	-	-	20	-	-	84	3,077	26	3,187
Conferences	-	-	-	2,505	1,299	-	-	3,804	2,311	-	6,115
Travel and entertainment	257	433	46	1,020	322	18	-	2,096	2,316	248	4,660
Postage and delivery	-	-	-	125	125	-	-	250	1,550	1,127	2,927
Occupancy (Note 4)	3,283	2,212	763	3,091	4,311	310	-	13,970	3,024	3,356	20,350
Utilities (Note 4)	942	636	219	886	1,237	89	-	4,009	867	963	5,839
Printing and production	688	598	134	1,602	890	350	-	4,262	5,037	775	10,074
Insurance	1,374	923	320	1,293	1,803	130	-	5,843	1,264	1,404	8,511
Miscellaneous	-	-	-	-	-	-	-	-	2,699	1,750	4,449
Depreciation	249	168	59	234	326	24	-	1,060	229	254	1,543
	\$ 51,538	\$ 44,806	\$ 10,035	\$ 70,660	\$ 59,553	\$ 4,557	\$ -	\$ 241,149	\$ 97,859	\$ 70,380	\$ 409,388

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

**2010**                      **2009**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Change in net assets.....	\$ (53,503)	\$ (157,796)
<u>Adjustment to reconcile change in net assets</u> to net cash (used in)/provided by operating activities:		
Depreciation expense.....	1,543	1,543
<u>Changes in operating assets and liabilities:</u>		
Restricted cash and cash equivalents.....	(166,920)	(1,524)
Contributions and grants receivable.....	(6,950)	209,425
Prepaid expenses and other current assets.....	2,647	2,862
Accounts payable and accrued expenses.....	5,295	894
Deferred revenue.....	500	-
	<u>                    </u>	<u>                    </u>
<b>Net cash (used in)/provided by operating activities</b>	<b>(217,388)</b>	<b>55,404</b>
Cash, beginning of year.....	255,300	199,896
	<u>                    </u>	<u>                    </u>
Cash, end of year.....	<u>\$ 37,912</u>	<u>\$ 255,300</u>

***NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009***

---

**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 and began to assume the responsibility for financial recordkeeping.

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.

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. In 2008 ERASE reached the end of its IRS "advance ruling" exemption period. The IRS Form 8734 - "Support Schedule for Advance Ruling Period" was completed and filed with the IRS as required under section 501(c)(3) of the Internal Revenue Code. Subsequently, on May 30, 2008, the IRS ruled that ERASE continues to be classified as a public charity under section 170(b)(1)(A)(vi) and exempt from federal income tax under section 501(c)(3) of the Code.

On January 1, 2010, ERASE adopted the recognition requirements for uncertain tax positions as required by United States generally accepted accounting principles, with no cumulative effect adjustment required. Tax benefits are recognized for tax positions taken or expected to be taken in a tax and information return, only when it is determined that the tax position will more-

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

**NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

likely-than-not be sustained upon examination by taxing authorities. ERASE has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. ERASE believes that tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on ERASE's financial condition, results of operations, or cash flows. Accordingly, ERASE has not recorded any reserves, or related accruals for interest and penalties for uncertain tax positions at December 31, 2010. Tax returns for the years ended December 31, 2007, 2008, and 2009 are open for examination by federal, state, and local 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 generally accepted accounting principles.

Revenue Recognition: ERASE recognizes revenue from grants and contributions in the period these grants 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.

Financial Statement Presentation: ERASE is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted - Net assets subject to donor-imposed stipulations that may or will be met, either by action of ERASE and/or the passage of time.

Permanently Restricted - Net assets subject to donor-imposed stipulations that they be maintained permanently by ERASE. Generally, the donors of these assets would permit ERASE to use all or part of the income earned on any related investments for general purposes.

Contributions: Contributions are recognized when the donor makes a promise to give to ERASE that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

**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: 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

A half-year of depreciation is generally provided for in the years of acquisition and disposal.

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. Accordingly, management has allocated certain costs among the programs and supporting services benefited.

Grants and Contributions Receivable: Grants and contributions receivable include unconditional promises to give. Management deems all grants and contributions receivable as of December 31, 2010 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 filings, as well as workers compensation. Alcott carries a surety bond of one million dollars, 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, 2010 AND 2009**

---

**NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Donated Services: Certain individuals with specific expertise provide services to ERASE on a pro-bono basis which ERASE would have paid for if they had not been donated. Such amounts have been recorded as both donated income and related expense. ERASE did not receive any donated services in 2010, however, it received \$1,000 of donated services during 2009. 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.

Events Occurring After Report Date: ERASE has evaluated events and transactions that occurred between January 1, 2011 and May 6, 2011, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**NOTE 2 -- PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31,:

	<u>2010</u>	<u>2009</u>
Furniture and fixtures.....	\$ 10,800	\$ 10,800
Office equipment.....	4,750	4,750
Computer equipment.....	9,765	9,765
	25,315	25,315
Less accumulated depreciation.....	(23,772)	(22,229)
Net carrying value.....	\$ 1,543	\$ 3,086

**NOTE 3 -- CONCENTRATIONS OF CREDIT RISK AND SUPPORT**

In both 2010 and 2009, ERASE held a fundraiser, which raised approximately 19% and 28% of total contribution revenue recognized, respectively. Approximately 53% and 16% of total revenue in 2010 and 2009, respectively, was from one donor.

**NOTE 4 -- LEASED FACILITIES**

On November 30, 2004, ERASE entered into a lease for its current facilities in Syosset, New York. This lease was amended in February 2009 to extend the lease term from January 31, 2010 to January 31, 2011 and decrease the monthly rent payment to \$1,600 for the remaining term of the lease. On January 6, 2011, the lease was amended for a second time to extend the lease term to January 31, 2013 and increase the monthly rent payment to \$1,700 for the remaining term of the lease.

ERASE was also a lessee under a non-cancelable equipment lease requiring a monthly payment of \$120, with an expiration date of September 2012.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

**NOTE 4 -- LEASED FACILITIES (continued)**

Future obligations under these leases are as follows for the years ending December 31,:

	<u>Rent</u>	<u>Equipment</u>	<u>Total</u>
2011.....	\$ 20,300	\$ 1,440	\$ 21,740
2012.....	20,400	1,080	\$ 21,480
2013.....	1,700	-	\$ 1,700
	<u>\$ 42,400</u>	<u>\$ 2,520</u>	<u>\$ 44,920</u>

Rent and utility expense for ERASE's facilities was \$21,536 and \$26,186 for the years ended December 31, 2010 and 2009, respectively.

**NOTE 5 -- OPERATIONS**

ERASE was launched in June 2001 as an initiative of the Long Island Community Foundation, incorporated as a New York State not-for-profit organization in December 2003 and completed the transition to an independent IRS Tax-Exempt organization in 2004. Prior to this, ERASE was a program run by New York Community Trust. Fiscal year 2010 represents ERASE's sixth full year of independent operation.

The overall mission that has guided ERASE's work from its inception continued in 2010. This mission is to expose forms of racial discrimination and advocate for laws and policies that help eliminate racial disparities, particularly in the areas of housing, community development, public education and health.

**Accomplishments during 2010**

ERASE continues to work to communicate that:

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

**Strengthening civil rights laws and enforcement**

Long Island is one of the most racially segregated regions in the country and documented housing discrimination continues. Effective local fair housing laws can help ensure that all people have equal access to housing and none are kept out of the communities of their choice by discriminatory practices and policies. Thanks to ERASE's leadership, research, policy analysis, persistent advocacy and support from its broad, vocal, constituency, in 2007 new fair housing laws and administrative enforcement systems were enacted in Nassau and Suffolk Counties with strong penalties for people who break those laws. Discrimination complaints can now be filed, investigated and resolved locally, at no cost to the victims of discrimination, based

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

**NOTE 5 - OPERATIONS (continued)**

on the laws' protected classes: race, creed, color, national origin, ethnicity, gender, religion, source of income, sexual orientation, age and marital status. In 2010 ERASE continued to investigate structures, policies and practices that result in racial inequities, for example:

- ERASE analyzed the proposed Fair Housing Plan of Nassau County and submitted written recommendations to improve the analysis to impediments to fair housing and to ensure that the County was affirmatively furthering fair housing in compliance with HUD regulations.
- In collaboration with Hofstra University, and in cooperation with the Nassau County Office of Housing and Homeless Services, a report was written concluding a study involving 3,017 mailed questionnaires to participants in the Housing Choice Voucher Program (Section 8) in Nassau County. The study sought to identify whether disparities existed among respondents in a variety of areas, including health behavior and health status on the basis of either racial/ethnic differences or with respect to the fact that they may live in different communities. This work is ongoing.

**Influencing regional leadership**

Civil rights laws routinely help block individual discrimination, but they are just one tool against the very tangible consequences of racial disparities in resources, opportunities and outcomes. To address these disparities, ERASE has engaged thought-leaders and decision-makers on the topic of racial equity and helped key public organizations, such as the Long Island Regional Planning Council, The Long Island Index and The Energeia Partnership incorporate the achievement of racial equity into their policy priorities and activities. In 2010 ERASE continued these ongoing partnerships and specific activities, for example:

- ERASE deepened collaboration with The Energeia Partnership at Molloy College to further joint efforts to promote public education equity.
- ERASE was strategically involved with the Public Education Working Group of the Long Island Regional Planning Council, helping to ensure that proper attention was paid to schools with majority black and Latino students with chronic indicators of low student achievement.

**Changing public perceptions of race and racism**

ERASE has utilized an innovative outreach program to reveal how racial disparities continue to deeply affect people of color and the region as a whole. ERASE's Race and Racism Dialogues have created an environment where talking about racism is no longer taboo and myths can be dispelled. ERASE's training and consultation, conferences on public education and housing, and staff development in public schools have influenced individual and collective behaviors. In 2010 this work included, for example:

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

**NOTE 5 - OPERATIONS *(continued)***

- Sixty-nine individuals who participated in the two-day Unraveling Racism Training (URT) workshop, which continued to receive rave reviews from participants. Diverse participants were drawn from: Nassau and Suffolk County law enforcement, clergy and religious organizations, public and private schools, universities, nonprofits, business and health organizations.
- Over 300 people attended the 2010 Annual Benefit, which was both a fundraiser and an educational event. Civil rights legend Ambassador Andrew Young was the honoree and delivered the key note address.
- ERASE President, Elaine Gross, delivered a presentation on education equity at The Aspen Institute for approximately 50 participants from around the country and some foreign countries.
- Numerous presentations and trainings by ERASE President Elaine Gross, included those to the Black Educators Association; Temple Beth El, Great Neck for Martin Luther King Day of Service; fair housing training for young mothers at Bethany House; Dowling College Diversity Conference, keynote speaker for Women Economic Developers. She was class speaker for Long Island University Doctoral Program class; Hofstra Renew New York 2010 Student Program, workshop presenter for Nassau County DSS Disproportionate Minority Representation project in Child Welfare and Juvenile Justice systems; and presenter for Nassau County Middle Schools Anti-Bias Consortium.

**Educating and mobilizing Long Islanders**

Creating racially integrated and equitable communities requires the collective efforts of Long Islanders of all ages and backgrounds. The ERASE Partnership for Racial Equity is an important vehicle for building a broad base of support for ERASE's regional initiatives and for nurturing allies to increase racial equity with local actions where they live and work. In 2010 efforts continued to expand the constituency of racial equity partners:

- ERASE reached the goal of inspiring more than 1,000 individuals to become ERASE Racial Equity Partners.
- The Student Partnership for Racial Equity was launched with a session in 2009 for Nassau County high school students. This project to educate the next generation of regional leaders and inspire them to become racial equity advocates expanded in 2010 to include two follow-up events and the second full-day Student Leadership Forum, which introduced a new group of Nassau County high-school students into the program. There were 51 racially and ethnically diverse students from high schools throughout Nassau County who participated in the program in 2010.
- ERASE enhanced the Student Partner program by creating an educational board-game about structural racism, which was utilized in a follow-up session where students played the game and discussed the effects of structural racism in the world today.
- Approximately 200 Students from four colleges, 22 high schools and three youth groups attended a Round Table Discussion led by Ambassador Andrew Young.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

**NOTE 5 – OPERATIONS (continued)**

- ERASE launched new communication/civic engagement activities, including social networking pages on Facebook, Twitter and YouTube and the creation of an electronic newsletter. Efforts to educate and organize an active constituency were further strengthened by appearances on television public affairs programs, coverage in newspaper articles and published opinion articles by staff and board members.

**Attracting national attention**

ERASE's expertise and accomplishments have been recognized by national funders, including the Ford Foundation. ERASE has produced significant statistical surveys and research reports, which have been presented at national conferences. ERASE's work is a key example of how the region, which is infamous for its longstanding housing segregation, is now making strides to dismantle racial barriers. In 2010, recognition for ERASE's outstanding work included:

- ERASE was awarded the "Accredited Charity Seal" by the Better Business Bureau. This approval signifies that ERASE has met the 20 voluntary standards for charity accountability, including the standard related to the percentage of expenses dedicated to program activities.
- President Elaine Gross was honored at Hofstra University's Celebration of Suburban Diversity for being a champion for racial and cultural diversity.
- ERASE was awarded the Agency of the Year Award by the New York State chapter of the National Association of Social Workers.

**Education Equity Campaign**

The unusually high number of school districts on Long Island, 124, which are overwhelmingly segregated both racially and economically means that low-performing schools are disproportionately affecting students of color. Given that education is the central factor for upward mobility in our society, this situation destines racial and ethnic minorities to further disadvantage. The objective of ERASE's Education Equity Initiative is to catalyze a strategic dialogue about the benefits of creating racially and ethnically diverse, high performing public schools throughout the region. While building a constituency of educators, policy makers, and community leaders is the first step, the next step will be advocating for policies and practices that support ERASE's goal of equity, excellence and racial integration in Long Island public schools. This year ERASE:

- Launched the release of its documentary *TALE OF TWO SCHOOLS: Race and Education on Long Island* by holding a film forum at Hofstra University. Over 300 people attended the event.
- President Elaine Gross was a guest on the News 12 Long Island television program, "Diverse Long Island", speaking about the documentary and public school education.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

**NOTE 5 - OPERATIONS (continued)**

- ERASE held focus groups of regional leaders to discuss education equity on Long Island and strategies for change.
- ERASE launched a new education webpage, which includes its thirty-minute documentary, a slide presentation, fact sheets and opportunities for public engagement.

ERASE's influence in regard to a variety of racial equity issues affecting Long Island extends beyond its own programs and activities. ERASE is frequently asked to play pivotal roles in addressing institutional and structural racism in the development and execution of programs and activities in other important regional organizations and projects, for example The Long Island Regional Planning Council and on the Advisory Board of *The Long Island Index* and The Energeia Partnership.

Racism, rooted in the heritage of slavery, predates American independence. It is inextricably intertwined with our society. But like a vine that has grown up around a tree, it must be destroyed if our society is to thrive. ERASE brings the reality of racist conditions on Long Island into the light of day, shows their pernicious effects, and works with public officials and the public itself to change those conditions. The accomplishments listed in this report show how far ERASE has come, however, it has much further to go.

**NOTE 6 -- TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets were available for the following at December 31,:

	<u>2010</u>	<u>2009</u>
Time Restricted.....	\$ -	\$ 20,000
Housing Project.....	244,919	-
	<u>\$ 244,919</u>	<u>\$ 20,000</u>

Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. During 2010 and 2009, ERASE received \$31,581 and \$36,500, respectively, in contributions whose restrictions had been met within the year of contribution and have been reflected as unrestricted in the accompanying statements of activities.

In addition, during the year ended December 31, 2010, \$20,000 of time restricted net assets from December 31, 2009 were released from restrictions noted above. During the year ended December 31, 2009, \$268,476 of restricted net assets from December 31, 2008 were released from restrictions.

In December 2010, ERASE was awarded a \$250,000 grant from the Ford Foundation to be utilized toward the fair housing project. Funds under this grant will be available for an eighteen month period beginning December 1, 2010. As of December 31, 2010, \$192,000 of the

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

**NOTE 6 -- TEMPORARILY RESTRICTED NET ASSETS *(continued)***

total grant award had been received by ERASE. The remaining \$58,000, which has been reflected as a grant receivable in the statement of financial position at December 31, 2010, will be received on or about December 1, 2011. As of December 31, 2010, \$5,081 of this grant was expended.

Cash has been restricted in accordance with temporarily restricted net assets held at year-end. For the years ended December 31, 2010 and 2009, restricted cash amounted to \$186,919 and \$20,000, respectively. The \$58,000 of the Ford Foundation grant was not included in the calculation of restricted cash as of December 31, 2010 as it was not collected before year-end.