Studio in a School Association, Inc.

Consolidated Financial Statements and Supplemental Schedules

Year Ended June 30, 2021

The report accompanying these financial statements was issued by
BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of
BDO International Limited, a UK company limited by guarantee.

Studio in a School Association, Inc.

Consolidated Financial Statements and Supplemental Schedules

Year Ended June 30, 2021

Studio in a School Association, Inc.

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Tel: 212-371-4446
Fax: 212-371-9374
www.bdo.com

622 Third Ave, Suite 3100
New York, NY 10017

Independent Auditor's Report

The Board of Directors
Studio in a School Association, Inc.
New York, New York

Opinion

We have audited the consolidated financial statements of the Studio in a School Association, Inc. (Studio), which comprises the consolidated statement of financial position as of June 30, 2021, and the related consolidated statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Studio as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Studio and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Studio's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Studio's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Studio's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedule of financial position on page 28, the consolidating schedule of activities on page 29, and the schedules of expenses by function for both wholly owned affiliates on pages 30 and 31 are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements, or to the consolidated financial statements themselves, and to other additional procedures, in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Studio's 2020 consolidated financial statements and our report, dated October 30, 2020, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

BDO USA, LLP

November 15, 2021

Studio in a School Association, Inc.

Consolidated Statement of Financial Position
(with comparative totals for 2020)

June 30,		**2021**		2020
Assets				
Current Assets				
Cash and cash equivalents	**$**	**3,421,847**	$	2,190,586
Short-term investments (Note 5)		**1,371,798**		196,126
Investments, at fair value (Note 5)		**19,988,467**		16,786,010
Accounts receivable, net		**232,643**		359,691
Contributions receivable, current portion (Note 4)		**597,035**		1,497,280
Other assets		**54,663**		33,773
Total Current Assets		**25,666,453**		21,063,466
Contributions Receivable, Net, less current portion (Note 4)		**374,247**		806,283
Assets Limited as to Use (Notes 5 and 7)		**332,848**		909,783
Fixed Assets, Net (Note 6)		**118,323**		128,166
Total Assets	**$**	**26,491,871**	$	22,907,698
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued expenses	**$**	**113,960**	$	58,993
Accrued payroll and related expenses		**303,656**		226,548
Loans payable (Note 15)		**1,310,458**		1,278,508
Total Current Liabilities		**1,728,074**		1,564,049
Deferred Compensation (Note 7)		**325,350**		863,247
Total Liabilities		**2,053,424**		2,427,296
Commitments and Contingencies (Notes 3 and 13)				
Net Assets (Notes 9 and 10)				
Without donor restrictions		**14,286,446**		11,935,361
With donor restrictions		**10,152,001**		8,545,041
Total Net Assets		**24,438,447**		20,480,402
Total Liabilities and Net Assets	**$**	**26,491,871**	$	22,907,698

See accompanying notes to consolidated financial statements.

Studio in a School Association, Inc.

Consolidated Statement of Activities
(with comparative totals for 2020)

Year ended June 30,	2021	2020
Changes in Net Assets Without Donor Restrictions		
Operating revenue:		
Contributions:		
Foundations and trusts	$ 1,998,283	$ 904,686
Individuals	557,480	1,166,642
Corporations	102,093	77,590
Government and other contracts and grants	958,400	1,604,128
Fees for services	196,617	373,702
Other revenue	179,278	27,110
Net investment return reported in operations	550,000	550,000
Operating transfer of past Gala proceeds	-	350
Net assets released from restriction (Note 9)	1,182,926	1,289,970
Total Operating Revenue	5,725,077	5,994,178
Operating expenses:		
Program services:		
Studio in a School NYC program services:		
Long-term program	1,238,448	1,379,823
Residency	1,465,206	1,536,729
Early childhood program	473,715	493,476
Artist and professional development program	153,029	182,139
Exhibitions	204,515	69,659
Studio Institute program services:		
Teen programs	719,985	894,574
College programs	479,805	335,750
Program services in other cities	308,400	349,513
Development projects and professional training	57,609	197,850
Total Program Services	5,100,712	5,439,513
Supporting services:		
Management and general	1,394,775	1,333,123
Fundraising	370,228	340,198
Total Operating Expenses	6,865,715	7,112,834
Change in Net Assets Without Donor Restrictions, before nonoperating income (expenses)	(1,140,638)	(1,118,656)
Nonoperating income (expenses):		
Net investment income	3,057,700	955,824
Net investment return reported in operations	(370,900)	(370,400)
Loss on sale of fixed asset	-	(3,000)
Forgiveness of debt (Note 15)	804,923	-
Total Nonoperating Income	3,491,723	582,424
Change in Net Assets Without Donor Restrictions	2,351,085	(536,232)
Changes in Net Assets with Donor Restrictions (Notes 9 and 10)		
Contributions:		
Foundations and trusts	1,314,600	1,446,703
Individuals	819	524
Corporations	-	155,916
Government and other contracts and grants	40,000	45,000
Net assets released from restriction (Note 9)	(1,182,926)	(1,289,970)
Net investment income	1,613,567	468,159
Investment return released into operations (Note 9)	(179,100)-	(179,600)
Change in Net Assets with Donor Restrictions (Notes 9 and 10)	1,606,960	646,732
Change in Net Assets	3,958,045	110,500
Net Assets, beginning of year	20,480,402	20,369,902
Net Assets, end of year	$ 24,438,447	$ 20,480,402

See accompanying notes to consolidated financial statements.

Studio in a School Association, Inc.

Consolidated Statement of Functional Expenses
(with comparative totals for 2020)

Year ended June 30,

	Program Services										Supporting Services		Total	
	Long-Term Program	Residency	Early Childhood Program	Artist and Professional Development	Exhibitions	Teen Programs	College Programs	Program Services in Other Cities	Development Projects and Professional Training	Total Program Services	Management and General	Fundraising	**2021**	2020
Salaries and Related Expenses														
Salaries and wages	$ 957,992	$ 978,635	$ 384,501	$ 116,575	$ 76,104	$ 489,915	$ 116,599	$ 258,559	$ 47,604	$ 3,426,484	$ 753,796	$ 266,690	**$ 4,446,970**	$ 4,782,513
Employee benefits and payroll taxes	186,581	192,761	78,709	23,855	16,092	63,438	15,989	36,856	6,547	620,828	146,359	55,272	**822,459**	800,917
Total Salaries and Related Expenses	1,144,573	1,171,396	463,210	140,430	92,196	553,353	132,588	295,415	54,151	4,047,312	900,155	321,962	**5,269,429**	5,583,430
Other Expenses														
Consultants	4,000	217,300	-	12,590	22,485	51,741	36,597	2,100	1,400	348,213	189,869	8,144	**546,226**	499,580
Regranting	-	-	-	-	-	49,920	262,840	-	-	312,760	-	-	**312,760**	213,908
Program supplies	87,998	72,607	10,339	-	26,280	4,755	-	9,981	-	211,960	1,505	-	**213,465**	183,262
Grants to subrecipients	-	-	-	-	42,000	-	43,471	-	-	85,471	3,000	-	**88,471**	50,174
Stipendiary	-	-	-	-	-	1,050	1,250	-	-	2,300	-	-	**2,300**	6,775
Printing	1,884	2,169	115	9	7,344	11,194	175	377	-	23,267	19,349	990	**43,606**	52,337
Equipment rental and purchases	145	78	-	-	-	26,228	15	150	-	26,616	10,702	-	**37,318**	772
Accounting fees	-	-	-	-	-	-	-	-	-	-	69,636	-	**69,636**	66,754
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	8,341	-	**8,341**	3,431
Training, conferences, and meetings	-	215	-	-	-	-	-	-	-	215	8,350	423	**8,988**	5,241
Marketing and promotion	-	-	-	-	-	175	1,868	369	-	2,412	17,065	-	**19,477**	4,528
Occupancy	-	-	-	-	4,150	-	-	79	-	4,229	33,576	-	**37,805**	49,866
Travel and meals	17	832	-	-	422	15,422	-	40	-	16,733	3,694	-	**20,427**	78,943
Utilities	-	-	-	-	-	-	-	-	-	-	25,477	-	**25,477**	29,427
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	9,843	-	**9,843**	10,507
Telephone	-	-	-	-	-	877	-	365	1,832	3,074	14,767	-	**17,841**	20,459
Insurance	-	-	-	-	-	-	-	-	-	-	27,563	-	**27,563**	22,845
Dues, subscriptions and memberships	-	134	-	-	5,941	4,851	1,001	50	226	12,203	18,200	17,896	**48,299**	38,211
Admission fees	-	-	-	-	-	-	-	-	-	-	-	-	**-**	3,873
Miscellaneous	(169)	475	51	-	3,697	419	-	(526)	-	3,947	5,120	20,813	**29,880**	11,738
Bad debts	-	-	-	-	-	-	-	-	-	-	28,563	-	**28,563**	176,773
Total Operating Expenses	$ 1,238,448	$ 1,465,206	$ 473,715	$ 153,029	$ 204,515	$ 719,985	$ 479,805	$ 308,400	$ 57,609	$ 5,100,712	$ 1,394,775	$ 370,228	**$ 6,865,715**	$ 7,112,834

See accompanying notes to consolidated financial statements.

Studio in a School Association, Inc.

Consolidated Statement of Cash Flows
(with comparative totals for 2020)

Year ended June 30,	**2021**	2020
Cash Flows from Operating Activities		
Change in net assets	**$ 3,958,045**	$ 110,500
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	**9,843**	10,507
Donated securities	**(72,254)**	(531,931)
Realized gain on investments	**(6,924)**	(646,633)
Unrealized gain on investments	**(4,599,748)**	(459,180)
Bad debt expense	**28,563**	176,773
Forgiveness of debt – Paycheck Protection Program	**(804,923)**	-
Forgiveness of debt from board member	**(147,512)**	-
Change in discount on contributions receivable	**(14,292)**	(14,313)
Changes in assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	**93,842**	374,767
Contributions receivable	**1,351,216**	(993,547)
Other assets	**(20,890)**	4,473
Increase (decrease) in:		
Accounts payable and accrued expenses	**54,967**	(63,568)
Accrued payroll and related expenses	**77,108**	53,353
Deferred revenue	**-**	(35,250)
Deferred compensation	**(537,897)**	(100,190)
Net Cash Used in Operating Activities	**(630,856)**	(2,114,239)
Cash Flows from Investing Activities		
Assets limited as to use	**576,935**	116,154
Purchase of fixed assets	**-**	(7,531)
Purchase of investments	**(1,368,862)**	(385,205)
Proceeds from sale of investments	**1,669,659**	1,520,203
Net Cash Provided by Investing Activities	**877,732**	1,243,621
Cash Flows from Financing Activities		
Proceeds from loans payable – loan from board member	**-**	236,175
Proceeds from loans payable – Paychek Protection Program	**984,385**	1,042,333
Net Cash Provided by Financing Activities	**984,385**	1,278,508
Net Increase in Cash and Cash Equivalents	**1,231,261**	407,890
Cash and Cash Equivalents, beginning of year	**2,190,586**	1,782,696
Cash and Cash Equivalents, end of year	**$ 3,421,847**	$ 2,190,586

See accompanying notes to consolidated financial statements.

1. Nature of the Organization

Studio in a School Association, Inc. is a nonprofit organization whose mission is to foster the creative and intellectual development of youth through quality visual arts programs directed by arts professionals. It collaborates with and develops the ability of those who provide or support arts programming and creative development for youth both in and outside of schools. Studio in a School Association, Inc. fulfills this mission through two Limited Liability Companies (LLCs), which were formed in August 2016, that are wholly owned subsidiaries of Studio in a School Association, Inc. Studio in a School NYC, LLC, which offers programs for students in Pre-K through high school, and Studio Institute, LLC, which shares professional learning, partnership programs, arts internships, and research grants in local and national forums. Studio in a School Association, Inc., Studio in a School NYC, LLC, and Studio Institute, LLC are hereafter collectively referred to as “Studio”.

Programs are split between the two LLCs, as follows:

Studio in a School NYC	Studio Institute

• Long-Term Partnership Program
• Early Childhood Program
• Pre-K/Kindergarten Residency
• Pre-Kindergarten/Alumni Mentoring Residency
• Residency Program
  o 14-week and six-week
  o After-School Programs
  o Arts Partnership Programs
  o Multi-Language Learners Program
• Art and Activism Program
• Artist and Art Teacher Professional Development
	• Curriculum development/documentation
	• Dissemination of Studio methods and programs
	• Teen: portfolio classes, college prep, apprenticeships, internships, and college scholarships
	• College: summer internships (Arts Intern and Arts Mentors)
	• Large-Scale Professional Development programs
	• Citywide and National Professional Development

Studio in a School NYC, LLC Programming

For over 40 years, Studio’s programs in New York City have placed professional artists in public school classrooms. Studio introduces visual arts to young learners from high-need communities and continues to nurture their talents as they grow. Students explore a full range of media, including drawing, painting, sculpture, collage, printmaking, and 2D design. Studio creates sustainable art programs that have lasting impact in participating communities. Most of these core programs are now conducted under the management of Studio in a School NYC, LLC.

In fiscal year 2021, Studio in a School NYC, LLC served approximately 13,751 students and 1,988 teachers in 133 program sites with the following programs:

Long-Term

Studio’s original program establishes a dedicated art studio in Title 1 elementary schools. It places professional artists in participating schools for at least five years, creating a place for sequential visual arts instruction within the school’s curriculum and culture.

Early Childhood

This program is a discovery-based visual arts program providing 3K, Pre-K, and Kindergarten students with hands-on visual art instruction and offering their teachers intensive training in teaching visual arts to three, four, and five-year-old students.

Residency

This program offers visual arts residences of varied lengths, tailor-made for each school and community-based organization. Sites select this flexible Pre-K through 12th grade program to serve the needs of specific student populations, such as multilingual learners or students with disabilities.

Exhibitions

Every Studio program culminates in a special site-based exhibition, and many sites participate in Studio's exhibition collaborations with cultural institutions throughout New York City. Artwork is also exhibited at Studio's gallery: 1 East 53rd Street.

Artist and Professional Development

Through group trainings and artist mentoring, Studio creates and maintains a community of artists who teach to the highest standards. Studio also provides a variety of professional development opportunities to New York City public school teachers and early childhood educators.

Studio Institute, LLC Programming

Studio Institute, LLC shares tested innovations, visual arts curricula, classroom program models, professional development models, arts internships, research grants, and assessment methods with arts and educational communities nationwide. Despite pandemic-related challenges, in fiscal year 2021, Studio Institute programs provided in-depth services to more than 180 high school and college students in eight cities and launched new school and community initiatives in Newark and Cleveland, serving and supporting children, families, and educators.

Teen Programs

Studio intensives are advanced visual arts workshops in Studio's offered for free on Saturdays to assist high school students in realizing their professional and personal goals and pursuit of advanced art study. These services were realized through online courses and small group portfolio reviews.

Teen apprenticeships and summer internship programs enable high school students to learn about careers in the arts, while gaining important academic and workplace skills. Young adults often face great challenges as they transition from school to the workplace. To address this, Studio provided programming to introduce NYC teens to the variety of arts careers possible and mentors them in their first jobs at museums, cultural institutions, and summer camps across the city. During the pandemic, Studio Institute, LLC was able to provide technology to teens and transfer these programs into a virtual format, offering online mentoring, training, and paid internships.

College Programs

Through the Arts Intern Program, college students with demonstrated financial need learn about careers in the arts. Paid summer internships in cultural institutions are complemented with regular visits to participating institutions and offer behind-the-scenes looks at museum operations, presentations by senior staff and curators, and panels featuring young museum professionals. The Arts Intern Program was developed in New York City and expanded to Philadelphia in 2016 and to Cleveland, Boston, and Providence in 2017, and Memphis in 2019. During fiscal year 2021, in response to the Covid-19 pandemic, Arts Intern was able to offer virtual internships, and for the first time in the program's 20-year history, a pilot program proved the efficacy of internships during the school year. As part of this initiative, internships were offered in two new cities as well: Baltimore and Chicago.

Professional Learning and Development Projects

Studio Institute, LLC works with local school and community organizations to develop site-based programs to meet local needs. In fiscal year 2021, Studio led a series of online professional development workshops for early childhood educators in Newark that helped them develop skills for engaging young learners through art-making; these were tailored for the online learning environment. Studio Institute, LLC continued a multi-year partnership with Cleveland Metropolitan Schools District; this work involved training of local artists in providing quality visual arts classes in a remote environment, as school programs were transitioned online for the pandemic.

2. Principles of Consolidation

The consolidated financial statements include the accounts of Studio in a School Association, Inc., Studio in a School NYC, LLC, and Studio Institute LLC. Studio in a School NYC, LLC and Studio Institute, LLC are wholly owned subsidiaries of Studio in a School Association, Inc. In consolidation, all significant interfund balances have been eliminated.

3. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements of Studio have been prepared on the accrual basis. In the consolidated statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Consolidated Financial Statements Presentation

The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets—with donor restrictions and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

With Donor Restrictions - This class consists of net assets resulting from contributions and other inflows of assets whose use by Studio is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of Studio, pursuant to those stipulations. When such stipulations end or are fulfilled, such donor-restricted net assets are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities. Net assets resulting from contributions and other inflows of assets whose use by Studio is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or other removed by actions of Studio are classified as net assets with donor restrictions - perpetual in nature.

Without Donor Restrictions - This class consists of the part of net assets that is not restricted by donor-imposed stipulations.

Cash and Cash Equivalents

Studio considers all liquid investment instruments purchased with an original maturity of three months or less to be cash equivalents.

Fair Value Measurements

U.S. generally accepted accounting principles (U.S. GAAP) establish a three-level hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are those that market participants operating within the same marketplace as Studio would use in pricing Studio's assets or liabilities based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of Studio are traded. Studio estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets would use, as determined by the money managers for each investment, based on best information available in the circumstances.

The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 – Valuation is based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 – Valuations are based on: (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability, and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Valuation is based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

Investments at Fair Value

Investments consist of both publicly traded and privately held mutual funds and investments in private-equity funds. Publicly traded mutual funds are stated at fair value based upon quoted market prices, which represent the net asset values (NAV) held by Studio at year-end. The privately held mutual fund is stated at its unit value, as provided by its investment manager. Detailed information surrounding the underlying investments of the fund is provided by the investment manager and the fund can be liquidated daily.

Studio's investments in private-equity funds have no readily determined market value and are valued at fair value, as estimated by the general partners. Because of the inherent uncertainty of valuation, it is reasonably possible that estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. In addition, certain investments may also have risk associated with their concentrations of investments in one geographic region and in certain industries. The private-equity funds' ability to liquidate certain of its investments may be inhibited since the issues may be privately held or the private-equity funds may own a relatively large portion of the issuer's equity securities.

Net Investment Income

Investment income is recognized when earned and consists of interest, dividends, and both realized and unrealized gains and losses. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on a trade basis. Net investment income is net of direct external expenses. Studio had no internal investment expenses for the year ended June 30, 2021.

Contributions and Promises to Give

Contributions and promises to give are recorded as revenue when either unsolicited cash is received or when the donor makes an unconditional promise to give. Contributions and promises to give are classified as either with or without donor-restricted support.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realized value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of estimated future value of cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met. Securities and tangible property received as a gift or bequest are reflected at fair value at the date of the gift.

Fixed Assets

Fixed assets are carried at cost, less accumulated depreciation, or, if donated artwork, the appraised value at the time of donation. No depreciation is taken on donated artwork. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives of assets. Depreciation is computed using the straight-line method over the estimated useful lives, as follows:

	Years
Computer equipment	5
Furniture and fixtures	5
Leasehold improvements	5-10

Impairment of Long-Lived Assets

U.S. GAAP requires Studio to review long-lived assets, including equipment and artwork, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. For the year ended June 30, 2021, there have been no such losses.

Revenue Recognition

On July 1, 2020, Studio adopted Accounting Standards Codification 606, *Revenue from Contracts with Customers* (ASC 606), using the modified retrospective method applied to those contracts which were not completed as of July 1, 2020. The adoption of ASC 606 did not have a material impact on Studio's consolidated financial statements; therefore, no transition adjustment is required upon adoption.

Government Grants and Contracts Revenue

Studio receives reimbursement under contracts with various federal, state and local government agencies. The majority of the contracts are expense-reimbursement contracts in which Studio is reimbursed for the allowable expenses incurred under the contract in the operation of the applicable programs. Certain income from government agencies is recognized when expenses are incurred under approved contracts. These contracts are primarily budget-based and revenue is determined by allowable expenditures in contract periods. Costs are subject to audit by third-party payors and changes, if any, are recognized in the year known.

Some of the contracts are classified as fee-for-service or performance-based contracts, in which Studio is reimbursed based on units of service (i.e., number of enrolled classrooms). Revenue is recognized under fee-for-service grants when the services are provided.

Fee-for-Service Revenue

Studio also provides fee-for-service work. Fee-for-service is recorded at the amount that reflects the consideration to which Studio expects to be entitled in exchange for providing services. These amounts are due from third-party payors (including government programs), and others, and includes an estimate for variable consideration for retroactive revenue adjustments due to rate changes, settlement of audits and disallowances, reviews and investigations. Generally, Studio submits fee-for-service invoices to third-party payors after the services are performed.

Revenue is recognized as performance obligations are satisfied over time based on actual charges incurred in relation to total expected (or actual) charges. Studio measures revenue from the commencement of services, to the continuation of services, and until services are no longer required. Studio believes that this method provides a reasonable representation of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

As substantially all of its performance obligations relate to established rate agreements with a duration of less than one year, Studio has elected, as part of their adoption of the new revenue standard, to apply the optional exemption provided in Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

In accordance with ASC 606, contract assets are to be recognized when an entity has the right to receive consideration in exchange for goods or services that have been transferred to a customer when that right is conditional on something other than the passage of time. Studio does not recognize contract assets as the right to receive consideration is unconditional in accordance with the passage of time criteria. Also, in accordance with ASC 606, contract liabilities are to be recognized when an entity is obligated to transfer goods or services for which consideration has already been received.

Revenue with customers is comprised of the following:

June 30, 2021		
Government and other contracts and grants	$	958,400
Fee for service		196,617
Other revenue		179,278
Total Revenue Subject to ASC 606		1,334,295
Total Revenue Not Subject to ASC 606		9,489,465
Total Revenue and Other Support	$	10,823,760

Receivables and contract balances from contracts with customers are as follows:

June 30, 2021		Receivables		Contract Assets		Contract Liabilities
Beginning of year	$	359,691	$	-	$	-
End of year		232,643		-		-

Allowance for Doubtful Accounts

Accounts and grants receivable are reported at their outstanding unpaid principal balances and may be reduced by an allowance for doubtful accounts. Studio provides an allowance for doubtful accounts for accounts receivable after the initial recording of revenue under Topic 606 that are specifically identified by management as to their uncertainty in regard to collectability. While management uses the best information available to make its evaluation, future adjustments to the allowance may be necessary if there are significant changes in economic conditions. During the fiscal year ended June 30, 2021 doubtful accounts totaling $99,869 were written-off.

Income Taxes

Studio was incorporated in the state of New York and is exempt from federal, state, and local income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and therefore has made no provision for income taxes in the accompanying consolidated statement of financial position. In addition, Studio has not taken an unsubstantiated tax position that would require provision of a liability under U.S. GAAP. Under U.S. GAAP, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not the position will be sustained upon examination by a taxing authority. Studio does not believe there are any material uncertain tax positions and, accordingly, has not recognized any liability for unrecognized tax benefits. Studio has filed Internal Revenue Service (IRS) Form 990, as required, and all other applicable returns in jurisdictions when it is required. For the year ended June 30, 2021, there was no income that was subject to unrelated business income tax, and there were no interest or penalties recorded or included in the consolidated financial statements.

Studio in a School NYC, LLC and Studio Institute, LLC are single-member LLCs in which Studio in a School Association, Inc. is the single member. These LLCs are considered to be disregarded entities and are not recognized for tax purposes as entities separate from Studio. As such, their income and expenses are reported as part of Studio's annual filings.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized by functional basis in the consolidated statement of activities. Accordingly, certain administrative costs have been allocated among the programs and supporting services based on benefits received. See additional information in Note 12 regarding allocations.

Comparative Financial Information

The consolidated financial statements include certain prior-year summarized comparative information. With respect to the consolidated statement of activities, the prior-year information is presented in total, not by entity. With respect to the consolidated statement of functional expenses, the prior-year expenses are presented by expense classification in total, rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with Studio's consolidated financial statements for the year ended June 30, 2020, from which summarized information was derived.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk

The financial instruments that potentially subject Studio to concentration of credit risk consist primarily of cash and cash equivalent accounts in financial institutions that, from time to time, exceed the Federal Deposit Insurance Corporation limit. Studio has not experienced any losses in such accounts, and management does not believe Studio is exposed to any significant credit risk on cash and cash equivalents.

Accounting Pronouncements Adopted

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued ASC 606, *Revenue Recognition from Contracts with Customers.* The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Studio adopted ASC 606 on July 1, 2020 and elected the modified retrospective approach for implementation. The adoption of this ASU did not materially impact the consolidated financial statements.

Accounting Pronouncements Issued but Not Yet Adopted

Leases (Topic 842)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statement of activities. The new standard is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. Management is currently evaluating the impact of the adoption of the new standard on the consolidated financial statements.

Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires that a nonprofit present contributed nonfinancial assets as a separate line item in the statement of activities apart from contributions of cash or other financial assets.

The ASU requires the following information be disclosed related to the contributed nonfinancial assets:

The contributed nonfinancial assets recognized in the statement of activities are disaggregated by category that depicts the type of contributed nonfinancial assets.

Each category of contributed nonfinancial assets recognized as noted above discloses:

- Qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period. If utilized, a description of the programs or other activities in which those assets were used.
- The nonprofit's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets.
- A description of any donor restrictions associated with the contributed nonfinancial assets.
- The valuation techniques and inputs used to arrive at a fair value measure in accordance with the requirements in ASC 820, *Fair Value Measurements*, at initial recognition.
- The principal market (or most advantageous market) used to arrive at a fair value measure if it is a market in which the recipient nonprofit is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets.

The amendments in the ASU should be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. Early adoption of the ASU is permitted.

4. Contributions Receivable, Net

At June 30, 2021, the net present value of contributions receivable was $971,282. Net present value for contributions received during the year ended June 30, 2021 was calculated using a discounted rate equal to a ten-year U.S. treasury bond rate. The discount rate used in the calculation was 2%.

Net present value of contributions receivable is summarized below:

June 30, 2021		
Total contributions receivable	$	997,035
Discount on contributions receivable		(25,753)
Net Present Value of Contributions Receivable	$	971,282
Amounts due in:		
One year	$	597,035
Two years or more, net of discount		374,247
	$	971,282

5. Financial Instruments and Fair Value

Studio's short-term investments are comprised of a money-market fund that is reported at cost, which approximates fair value. Management believes the most appropriate classification for these investments is Level 1.

The privately held mutual fund is stated at its unit value, as provided by the investment manager. Since these holdings may not trade on a daily basis, the investment manager prepares estimates of fair value measurements for these securities using relevant market information, benchmark curves, benchmarking of similar securities, sector grouping and matrix pricing. These investments are classified as Level 2.

Private-equity funds are reported at fair value, as estimated by the general partners. These investments, which are valued at NAV, have not been classified in the fair value hierarchy in accordance with U.S. GAAP.

Assets, measured at fair value on a recurring basis, consist of the following:

June 30, 2021

	Fair Value Measurement at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance
Investments:				
Short-term investments	$ 1,371,798	$ -	$ -	$ 1,371,798
Privately held mutual fund:				
Multi-asset fund	-	19,389,901	-	19,389,901
Private-equity funds at NAV*				598,566
Total Investments	1,371,798	19,389,901	-	21,360,265
Assets limited as to use:				
Guaranteed annuity				332,848
Total Assets Limited as to Use	-	-	-	332,848
Total	$ 1,371,798	$ 19,389,901	$ -	$ 21,693,113

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

The valuation methods described in Notes 3 and 5 may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Studio believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no transfers between levels during fiscal year 2021.

6. Fixed Assets, Net

Fixed assets, net, consist of the following:

June 30, 2021

Computer equipment	$ 518,698
Furniture and fixtures	154,231
Leasehold improvements	424,720
Artwork	95,500
	1,193,149
Less: accumulated depreciation and amortization	(1,074,826)
	$ 118,323

Depreciation expense for the year ended June 30, 2021 was $9,843.

7. Deferred Compensation Arrangements

Studio entered into a deferred compensation arrangement with a key executive in 2000. The arrangement grants the opportunity for the executive to purchase certain of Studio's investments at 25% of the fair market value of the investments at the inception of the arrangement. The arrangement is effective for a 20-year period from the date of inception, and at June 30, 2021, the arrangement was fully vested. Investments associated with the arrangement was fully drawn down at June 30, 2021.

Studio sponsors a non-qualified deferred compensation plan under which a select group of employees may make voluntary contributions that defer a portion of their compensation. Studio does not match such contributions. Studio holds the funds in a trust, which is recorded at its fair value as an asset and a corresponding liability. The value of the asset and liability as of June 30, 2021, was $325,350.

8. Employee Benefit Plan

Studio maintains a defined contribution plan covering all eligible employees under Section 403(b) of the Code. Under the plan, Studio provides a 5% contribution on behalf of all eligible employees. For the year ended June 30, 2021, the amount charged to operations for employer contributions to the plan amounted to $106,901.

9. Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following:

June 30, 2021		
Future periods	$	574,247
Program services:		
Investment income to be appropriated by governing board		3,295,916
Studio in a School NYC		1,978,208
Studio Institute		1,268,680
Perpetual in nature:		
National Endowment for the Arts and matching contributions		450,000
LLWW Foundation		10,000
The Wallace Foundation		1,900,000
The Agnes Gund Endowment for Teen Visual Arts Development and Mentoring		674,950
Total	$	10,152,001

Net assets released from restrictions due to fulfillment of their purpose or time restriction consisted of the following programs:

June 30, 2021		
Program services:		
Studio in a School Association	$	200,000
Studio in a School NYC		248,216
Studio Institute		734,710
Total Program Services Released from Restriction		1,182,926
Investment income appropriated by governing board		179,100
Total Amount Released from Restriction	$	1,362,026

10. Endowment Net Asset Classification

Studio's endowment funds consist of investments that are board-designated and donor-restricted. Studio follows the requirements of the New York Prudent Management of Institutional Funds Act (NYPMIFA). A portion of donor-restricted assets includes funds that Studio must hold in perpetuity.

The following applies to the endowment funds:

Interpretation of Relevant Law

The spending of endowment funds by a not-for-profit corporation in the State of New York is currently governed by NYPMIFA. Studio has interpreted NYPMIFA as allowing the governing board of Studio to make available for expenditure as much of an endowment fund, including principal, as the governing board finds prudent, taking into consideration the uses, benefits, purposes, and duration for which the fund was established. The governing board must act in good faith and must consider various factors, if relevant, when making decisions, including Studio's investment policy, purposes of Studio and the fund, and general economic conditions. As a result of the interpretation, Studio classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent donor fund, (b) the original value of subsequent gifts to the permanent donor fund, and (c) accumulations to the permanent donor fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The investment income earned on the accumulations to the restricted donor funds is classified based on donor stipulations as either with or without donor-restricted net assets until the donor-imposed restrictions have been met.

Investment and Spending Policies

Studio has adopted investment and spending policies for endowment funds that attempt to provide a stream of returns that would be utilized to fund various programs while seeking to maintain the purchasing power of the assets. The endowment funds are invested in vehicles such as a privately held mutual fund and private-equity funds that are intended to produce moderate-to-high rates of return while assuming a moderate-to-low level of investment risk.

Studio may appropriate endowment investment returns for distribution each year up to 5% of the ending market value of the endowment fund over the previous three years and considers the following factors in making a determination to appropriate or accumulate donor-restricted and board-designated endowment funds:

- The duration and preservation of the funds.
- Availability of other funding sources.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation/depreciation of investments.
- Purposes of donor-restricted fund.

The following tables represent the endowment net asset composition by type of fund:

June 30, 2021

	Donor-Restricted Endowment Funds	Board-Designated Endowment Funds	Total Endowments
With donor restrictions	$ 6,291,271	$ -	$ 6,291,271
Without donor restrictions	-	9,837,635	9,837,635
Total Endowment Funds	$ 6,291,271	$ 9,837,635	$ 16,128,906

The following tables represent the reconciliation of changes in endowment net assets:

Year ended June 30, 2021

	Donor-Restricted Endowment Funds	Board-Designated Endowment Funds	Total Endowments
Endowment Net Assets, beginning of year	$ 5,040,325	$ 8,049,257	$ 13,089,582
Additional investments	-	72,733	72,733
Net investment income	1,455,047	2,281,203	3,736,250
Amounts appropriate for expenditure	(204,101)	(565,558)	(769,659)
Endowment Net Assets, end of year	$ 6,291,271	$ 9,837,635	$ 16,128,906

11. Liquidity and Availability of Resources

June 30, 2021		
Cash and cash equivalents	$	3,421,847
Short-term investments		1,371,798
Investments at fair value		19,988,467
Accounts receivable, net		232,643
Current portion of contributions receivable		597,035
Total Financial Assets, at year-end		25,611,790
Less: those unavailable for general expenditures, due to:		
Donor-imposed restrictions		(9,577,754)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$	16,034,036

As part of Studio's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, Studio invests cash in excess of daily requirements in investments. Investments, further discussed in Note 5, include short-term money market funds, mutual funds, and private-equity funds. Only those donor-imposed restricted amounts that are expected to be spent within the next year are deducted from financial assets.

12. Methods Used for Allocation of Expenses

The cost of providing Studio's programs and other activities has been summarized on a functional basis in the consolidated statement of activities and consolidated statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited based upon predetermined allocation rates, as determined by management. Management and general expenses include those costs that are not directly identifiable with any specific program, but that provide for the overall support and direction of Studio. Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. Studio generally does not conduct its fundraising activities in conjunction with its other activities.

Certain categories of expenses are attributable to one or more programmatic or supporting functions of Studio. Those expenses include depreciation and amortization, the administrative and executive offices, telephone expenses, personnel costs and general third-party processing expenses, and the information technology department. These expenses are attributable to more than one function and are allocated to Studio's programmatic functions for financial reporting purposes using square footage or head count allocation methodologies.

13. Commitments and Contingencies

Studio is obligated under noncancelable operating leases for its administrative offices, program services facilities and storage space expiring at various dates through January 2024. Total rent expense for the year ended June 30, 2021, amounted to $26,517. At June 30, 2021, the aggregate minimum annual rental commitments under these leases are as follows:

Year ending June 30,		
2022	$	14,468
2023		14,832
2024		9,763
Total	$	39,063

14. Related Party Transactions

Studio periodically receives donations from members of its Board of Directors, which Studio considers related party transactions. For its fiscal year ended June 30, 2021, Studio received a total of $2,109,668 in donations from its Board members, of which $930,000 is for future use.

Please refer to Note 15 for the loan from a Board member.

15. Loans Payable

Loans payable consist of the following:

June 30, 2021		
Loan from Paycheck Protection Program	$	1,221,795
Loan from Board member		88,663
	$	1,310,458

Small Business Administration – Paycheck Protection Program Loan (PPP)

In April 2020, Studio in a School NYC and Studio Institute applied and received approval for loans under the PPP administered by the United States Small Business Administration. The PPP was legislated as part of the CARES Act and is a program designed to provide a direct incentive for small businesses to keep their workers on the payroll. The loan may be partially or fully forgiven if businesses keep employee head counts and wages stable.

During fiscal year 2021, Studio in a School NYC had its PPP loan fully forgiven for the amount of $804,923. Studio Institute has yet to obtain forgiveness of the loan for the loan it obtained in 2020.

Studio in a School NYC applied for and received a second PPP loan amounting to $719,090 in April 2021 while Studio Institute applied for another loan amounting to $265,295 in May 2021.

As of June 30, 2021, Studio in a School NYC and Studio Institute had PPP loan balances of $719,090 and $502,705, respectively.

The loans are serviced by JP Morgan Chase Bank and, if not forgiven, have an interest rate of 0.98% and would mature in two years from date of loan. Management believes the PPP loans will be fully forgiven.

Loan from Board Member

In April 2020, a board member of Studio in a School Association loaned $193,663 and $42,512 to Studio in a School NYC and Studio Institute, respectively, to cover the cost of a payroll at the onset of the NYC school closings. The loans are not interest bearing and have no set repayment terms or maturity date. Of these amounts, $105,000 and $42,512 were converted into contributions during the year ended June 30, 2021. As of June 30, 2021, the loans have a balance of $88,663.

16. Subsequent Events

Studio's management has performed subsequent events procedures through November 15, 2021, which is the date the consolidated financial statements were available to be issued, and there were no subsequent events requiring adjustment to the consolidated financial statements or disclosures as stated herein.

Supplemental Schedules

Studio in a School Association, Inc.

Consolidating Schedule of Financial Position
(with comparative totals for 2020)

Year ended June 30,

	Studio in a School Association	Studio NYC	Studio Institute	Eliminations	Total 2021	Total 2020
Assets						
Current Assets						
Cash and cash equivalents	$ 688,574	$ 1,147,971	$ 1,585,302	$ -	**$ 3,421,847**	$ 2,190,586
Short-term investments	71,686	830,093	470,019	-	**1,371,798**	196,126
Investments, at fair value	16,984,230	765,833	2,238,404	-	**19,988,467**	16,786,010
Accounts receivable, net	-	225,818	6,825	-	**232,643**	359,691
Contributions receivable, current portion	200,000	328,530	68,505	-	**597,035**	1,497,280
Other assets	-	49,895	4,768	-	**54,663**	33,773
Intercompany receivable	-	836,216	136,347	(972,563)	**-**	-
Total Current Assets	17,944,490	4,184,356	4,510,170	(972,563)	**25,666,453**	21,063,466
Contributions Receivable, Net, less current portion	374,247	-	-	-	**374,247**	806,283
Assets Limited as to Use	968,994	-	(636,146)	-	**332,848**	909,783
Fixed Assets, Net	95,500	22,804	19	-	**118,323**	128,166
Total Assets	$ 19,383,231	$ 4,207,160	$ 3,874,043	$ (972,563)	**$26,491,871**	$ 22,907,698
Liabilities and Net Assets						
Current Liabilities						
Accounts payable and accrued expenses	$ -	$ 72,478	41,482	$ -	**$ 113,960**	$ 58,993
Accrued payroll and related expenses	-	198,522	105,134	-	**303,656**	226,548
Loans payable	-	807,754	502,704	-	**1,310,458**	1,278,508
Intercompany payable	972,563	99,999	(99,999)	(972,563)	**-**	-
Total Current Liabilities	972,563	1,178,753	549,321	(972,563)	**1,728,074**	1,564,049
Deferred Compensation	922,221	-	(596,871)	-	**325,350**	863,247
Total Liabilities	1,894,784	1,178,753	(47,550)	(972,563)	**2,053,424**	2,427,296
Net Assets						
Without donor restrictions	10,980,942	679,297	2,626,207	-	**14,286,446**	11,935,361
With donor restrictions	6,507,505	2,349,110	1,295,386	-	**10,152,001**	8,545,041
Total Net Assets	17,488,447	3,028,407	3,921,593	-	**24,438,447**	20,480,402
Total Liabilities and Net Assets	$ 19,383,231	$ 4,207,160	$ 3,874,043	$ (972,563)	**$ 26,491,871**	$ 22,907,698

Studio in a School Association, Inc.

Consolidating Schedule of Activities
(with comparative totals for 2020)

Year ended June 30,

	Studio in a School Association	Studio NYC	Studio Institute	Total 2021	Total 2020
Changes in Net Assets Without Donor Restrictions					
Operating revenue:					
Contributions:					
Foundations and trusts	$ -	$ 1,352,611	$ 645,672	**$ 1,998,283**	$ 904,686
Individuals	-	469,465	88,015	**557,480**	1,166,642
Corporations	-	92,064	10,029	**102,093**	77,590
Operating transfer of past Gala proceeds	(400,000)	280,000	120,000	**-**	350
Government and other contracts and grants	-	958,400	-	**958,400**	1,604,128
Fees for services	-	137,117	59,500	**196,617**	373,702
Other	(163,492)	137,639	205,131	**179,278**	27,110
Net investment return reported in operations	-	550,000	-	**550,000**	550,000
Net assets released from restriction	-	348,216	834,710	**1,182,926**	1,289,970
Total Operating Revenue (Loss)	(563,492)	4,325,512	1,963,057	**5,725,077**	5,994,178
Operating expenses:					
Program services:					
Studio in a School NYC program services:					
Long-term program	-	1,238,448	-	**1,238,448**	1,379,823
Residency	-	1,465,206	-	**1,465,206**	1,536,729
Early childhood program	-	473,715	-	**473,715**	493,476
Artist and professional development program	-	153,029	-	**153,029**	182,139
Exhibitions	-	204,515	-	**204,515**	69,659
Studio Institute program services:					
Teens Program	-	-	719,985	**719,985**	894,574
College Programs	-	-	479,805	**479,805**	335,750
Program services in other cities	-	-	308,400	**308,400**	349,513
Development projects and professional training	-	-	57,609	**57,609**	197,850
Total Program Services	-	3,534,913	1,565,799	**5,100,712**	5,439,513
Supporting services:					
Management and general	-	1,036,456	358,319	**1,394,775**	1,333,123
Fundraising	-	331,894	38,334	**370,228**	340,198
Total Operating Expenses (Income)	-	4,903,261	1,962,454	**6,865,715**	7,112,834
Change in Net Assets Without Donor Restrictions, before nonoperating income (expenses)	(563,492)	(577,749)	603	**(1,140,638)**	(1,118,656)
Nonoperating income (expenses):					
Net investment income	2,552,489	437	504,774	**3,057,700**	955,824
Net investment return reported in operations	-	(370,900)	-	**(370,900)**	(370,400)
Gain on sale of fixed asset	-	-	-	**-**	(3,000)
Forgiveness of debt	-	804,923	-	**804,923**	-
Other intercompany expenses	-	-	-	**-**	-
Total Nonoperating Income	2,552,489	434,460	504,774	**3,491,723**	582,424
Change in Net Assets Without Donor Restrictions	1,988,997	(143,289)	505,377	**2,351,085**	(536,232)
Changes in Net Assets with Donor Restrictions					
Contributions:					
Foundations and trusts	13,817	1,076,283	224,500	**1,314,600**	1,446,703
Individuals	-	819	-	**819**	524
Corporations	-	-	-	**-**	155,916
Government and other contracts and grants	-	40,000	-	**40,000**	45,000
Net assets released from restriction	(200,000)	(248,216)	(734,710)	**(1,182,926)**	(1,289,970)
Net investment income	1,439,203	174,364	-	**1,613,567**	468,159
Investment return released into operations	(550,000)	370,900	-	**(179,100)**	(179,600)
Change in Net Assets with Donor Restrictions	703,020	1,414,150	(510,210)	**1,606,960**	646,732
Change in Net Assets	$ 2,692,017	$ 1,270,861	$ (4,833)	**$ 3,958,045**	$ 110,500

Studio in a School Association, Inc.

Studio in a School NYC Schedule of Expenses by Function
(with comparative totals for 2020)

Year ended June 30,

	Program Services						Supporting Services		Total	
	Long-Term Program	Residency	Early Childhood Program	Artist and Professional Development Program	Exhibitions	Total Program Expenses	Management and General	Fundraising	**2021**	2020
Salaries and Related Expenses										
Salaries and wages	$ 957,992	$ 978,635	$ 384,501	$ 116,575	$ 76,104	$ 2,513,807	$ 508,467	$ 241,002	**$ 3,263,276**	$ 3,323,247
Benefits and payroll taxes	186,581	192,761	78,709	23,855	16,092	497,998	106,388	51,717	**656,103**	615,258
Total Salaries and Related Expenses	1,144,573	1,171,396	463,210	140,430	92,196	3,011,805	614,855	292,719	**3,919,379**	3,938,505
Other Expenses										
Consultants	4,000	217,300	-	12,590	22,485	256,375	170,285	7,994	**434,654**	382,216
Program supplies	87,998	72,607	10,339	-	26,280	197,224	686	-	**197,910**	160,105
Grants to subrecipients	-	-	-	-	42,000	42,000	3,000	-	**45,000**	7,000
Printing	1,884	2,169	115	9	7,344	11,521	12,878	990	**25,389**	24,879
Equipment rental and purchases	145	78	-	-	-	223	9,385	-	**9,608**	(4,934)
Accounting fees	-	-	-	-	-	-	63,264	-	**63,264**	59,984
Repairs and maintenance	-	-	-	-	-	-	8,341	-	**8,341**	3,431
Training, conferences, and meetings	-	215	-	-	-	215	8,350	424	**8,989**	1,179
Marketing and promotion	-	-	-	-	-	-	183	-	**183**	1,255
Occupancy	-	-	-	-	4,150	4,150	21,950	-	**26,100**	27,081
Travel and meals	17	832	-	-	422	1,271	3,384	-	**4,655**	23,789
Utilities	-	-	-	-	-	-	17,366	-	**17,366**	21,933
Depreciation and amortization	-	-	-	-	-	-	9,755	-	**9,755**	10,204
Telephone	-	-	-	-	-	-	12,822	-	**12,822**	14,479
Insurance	-	-	-	-	-	-	24,574	-	**24,574**	19,025
Dues, subscriptions and memberships	-	134	-	-	5,941	6,075	17,302	14,854	**38,231**	24,434
Miscellaneous	(169)	475	51	-	3,697	4,054	9,512	14,914	**28,480**	7,200
Bad debts	-	-	-	-	-	-	28,563	-	**28,563**	176,773
Total Expenses	$ 1,238,448	$ 1,465,206	$ 473,715	$ 153,029	$ 204,515	$ 3,534,913	$ 1,036,455	$ 331,895	**$ 4,903,263**	$ 4,898,538

Studio in a School Association, Inc.

Studio Institute Schedule of Expenses by Function
(with comparative totals for 2020)

Year ended June 30,

	Program Services					Supporting Services		Total	
	Teen Programs	College Programs	Program Services in Other Cities	Development Projects and Professional Training	Total Program Expenses	Management and General	Fundraising	**2021**	2020
Salaries and Related Expenses									
Salaries and wages	$ 489,915	$ 116,599	$ 258,559	$ 47,604	$ 912,677	$ 245,329	$ 25,688	**$ 1,183,694**	$ 1,459,266
Benefits and payroll taxes	63,438	15,989	36,856	6,547	122,830	39,971	3,555	**166,356**	185,659
Total Salaries and Related Expenses	553,353	132,588	295,415	54,151	1,035,507	285,300	29,243	**1,350,050**	1,644,925
Other Expenses									
Consultants	51,741	36,597	2,100	1,400	91,838	19,584	150	**111,572**	117,364
Regranting	49,920	262,840	-	-	312,760	-	-	**312,760**	213,908
Program supplies	4,755	-	9,981	-	14,735	819	-	**15,554**	23,157
Grants to subrecipients	-	43,471	-	-	43,471	-	-	**43,471**	43,174
Stipendiary	1,050	1,250	-	-	2,300	-	-	**2,300**	6,775
Printing	11,194	175	377	-	11,747	6,471	-	**18,218**	27,458
Equipment rental and purchases	26,228	15	150	-	26,394	1,317	-	**27,711**	5,706
Accounting fees	-	-	-	-	-	6,372	-	**6,372**	6,770
Repairs and maintenance	-	-	-	-	-	-	-	**-**	-
Training, conferences, and meetings	-	-	-	-	-	-	-	**-**	4,062
Marketing and promotion	175	1,868	369	-	2,412	16,882	-	**19,294**	3,273
Occupancy	-	-	79	-	79	11,627	-	**11,706**	22,785
Travel and meals	15,422	-	40	-	15,462	309	-	**15,771**	55,154
Utilities	-	-	-	-	-	8,111	-	**8,111**	7,494
Depreciation and amortization	-	-	-	-	-	88	-	**88**	303
Telephone	877	-	365	1,832	3,074	1,945	-	**5,019**	5,980
Insurance	-	-	-	-	-	2,989	-	**2,989**	3,820
Dues, subscriptions and memberships	4,851	1,001	50	226	6,128	899	3,042	**10,069**	13,777
Admission fees	-	-	-	-	-	-	-	**-**	3,873
Miscellaneous	419	-	(526)	-	(107)	(4,394)	5,899	**1,398**	4,538
Total Expenses	$ 719,985	$ 479,805	$ 308,400	$ 57,609	$ 1,565,800	$ 358,319	$ 38,334	**$ 1,962,454**	$ 2,214,296