

NATIONAL MEDICAL FELLOWSHIPS, INC.

**Financial Statements
for the year ended
December 31, 2018**

Independent Auditor's Report

Board of Governors
National Medical Fellowships, Inc.

We have audited the accompanying financial statements of National Medical Fellowships, Inc. ("NMF") which comprise the statements of financial position as of December 31, 2018 and December 31, 2017 and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph on page 1 present fairly, in all material respects, the financial position of National Medical Fellowships, Inc. as of December 31, 2018 and December 31, 2017, and the results of its activities, functional expenses and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Condon O'Meara McGinty & Donnelly LLP

NATIONAL MEDICAL FELLOWSHIPS, INC.

Statements of Financial Position

Assets

	December 31	
	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 80,935	\$ 507,103
Investments, at fair value	450,459	95,161
Receivables and pledges	1,148,405	1,264,940
Deferred compensation plan assets	394,046	341,318
Prepaid expenses	167,803	200,013
Furniture and equipment, at cost – net	<u>36,224</u>	<u>37,683</u>
Total assets	<u>\$2,277,872</u>	<u>\$2,446,218</u>

Liabilities and Net Assets

Liabilities		
Accounts payable and accrued expenses	\$ 451,185	\$ 272,810
Deferred revenue	12,123	58,682
Deferred compensation plan liability	<u>394,046</u>	<u>341,318</u>
Total liabilities	<u>857,354</u>	<u>672,810</u>
Net assets		
Without donor restriction	190,743	93,653
With donor restriction	<u>1,229,775</u>	<u>1,679,755</u>
Total net assets	<u>1,420,518</u>	<u>1,773,408</u>
Total liabilities and net assets	<u>\$2,277,872</u>	<u>\$2,446,218</u>

See notes to financial statements.

NATIONAL MEDICAL FELLOWSHIPS, INC.

Statements of Activities

	Year Ended December 31			
	2018		2017	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Revenue				
Contributions and grants	\$ 1,745,746	\$ 835,999	\$ 2,581,745	\$ 1,191,176
Galas (net of direct benefit costs of \$318,406 in 2018 and \$191,850 in 2017)	1,039,889	-	1,039,889	913,304
Other	7,797	-	7,797	1,323
Net assets released from restrictions	1,260,176	(1,260,176)	-	(1,764,957)
Total revenue	<u>4,053,608</u>	<u>(424,177)</u>	<u>3,629,431</u>	<u>(573,781)</u>
Expenses				
Program services				
Scholarships and awards	834,710	-	834,710	626,752
Service Learning Programs	1,781,514	-	1,781,514	1,812,514
Public information and alumni relations	949,869	-	949,869	859,616
Total program services	<u>3,566,093</u>	<u>-</u>	<u>3,566,093</u>	<u>3,298,882</u>
Supporting services				
Fundraising	197,324	-	197,324	206,245
Management and general	193,940	-	193,940	165,618
Total supporting services	<u>391,264</u>	<u>-</u>	<u>391,264</u>	<u>371,863</u>
Total expenses	<u>3,957,357</u>	<u>-</u>	<u>3,957,357</u>	<u>3,670,745</u>
Increase (decrease) in net assets before net realized and unrealized gain (loss) on investments and reclassification	96,251	(424,177)	(327,926)	(573,781)
Net realized and unrealized gain (loss) on investments	(24,964)	-	(24,964)	102
Reclassification of permanently restricted net assets	25,803	(25,803)	-	-
Increase (decrease) in net assets	97,090	(449,980)	(352,890)	(573,781)
Net assets (deficit), beginning of year	93,653	1,679,755	1,773,408	2,253,536
Net assets, end of year	\$ 190,743	\$ 1,229,775	\$ 1,420,518	\$ 1,679,755

See notes to financial statements.

NATIONAL MEDICAL FELLOWSHIPS, INC.

Statement of Cash Flows

	Year Ended	
	December 31	
	2018	2017
Cash flows from operating activities		
(Decrease) in net assets	\$ (352,890)	\$ (297,634)
Adjustments to reconcile (decrease) in net assets to net cash (used in) operating activities		
Depreciation and amortization	14,260	21,592
Donated stock	(30,101)	(20,065)
Proceeds from sale of donated stock	29,562	20,065
Unrealized loss on investments	24,196	737
Realized (gain) loss on sale of investments	768	(839)
(Increase) decrease in assets		
Receivables and pledges	116,535	(201,167)
Prepaid expenses	32,210	(93,691)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	178,375	(177,094)
Deferred revenue	(46,559)	58,682
Net cash (used in) operating activities	<u>(33,644)</u>	<u>(689,414)</u>
Cash flows from investing activities		
Purchases of furniture and equipment	(12,801)	(13,180)
Purchases of investments	(418,051)	(32,146)
Proceeds from sale of investment	39,731	16,823
Increase in money market investment	(1,403)	(5,587)
Net cash (used in) investing activities	<u>(392,524)</u>	<u>(34,090)</u>
Net (decrease) in cash and cash equivalents	(426,168)	(723,504)
Cash and cash equivalents, beginning of year	<u>507,103</u>	<u>1,230,607</u>
Cash and cash equivalents, end of year	<u>\$ 80,935</u>	<u>\$ 507,103</u>

See notes to financial statements

NATIONAL MEDICAL FELLOWSHIPS, INC.

Statements of Functional Expenses
 Year Ended December 31, 2018
 (with Summarized Comparative Information for the Year Ended December 31, 2017)

	Program Services			Supporting Activities			Total 2017 Expenses
	Scholarships And Awards	Service Learning Programs	Public Information and Alumni Relations	Total Program Services	Fundraising	Management and General	
Direct program costs	\$ 385,300	\$ 1,008,584	\$ 123,972	\$ 1,517,856	\$ -	\$ -	\$1,517,856
Salaries	269,580	404,370	318,596	992,546	122,536	110,283	1,225,365
Payroll taxes and employee benefits	50,353	75,530	59,508	185,391	22,888	20,599	228,878
Travel, promotion and seminars	9,981	77,939	108,267	196,187	2,946	2,650	201,783
Professional fees	17,647	26,471	20,856	64,974	8,022	7,219	80,215
Outside services	24,599	30,850	188,489	243,938	7,454	6,708	258,100
Telephone and internet	8,278	14,959	12,364	35,601	3,763	3,386	42,750
Website development and maintenance	1,729	2,593	4,750	9,072	786	707	10,565
Postage and delivery	2,166	3,749	2,873	8,788	985	887	10,660
Repairs and maintenance	5,860	8,791	6,926	21,577	2,664	2,397	26,638
Office, supplies and printing	9,184	19,534	18,666	47,384	4,174	3,757	55,315
Equipment and leases	1,421	2,491	1,679	5,591	646	581	6,818
Occupancy	24,604	62,826	29,077	116,507	11,184	10,065	137,756
Insurance	3,283	6,816	3,880	13,979	1,492	1,344	16,815
Subscriptions, licenses and warranties	6,918	15,153	33,649	55,720	1,508	1,358	58,586
Service fees	10,670	16,152	12,610	39,432	4,850	4,365	48,647
Miscellaneous	-	-	-	-	-	-	15,621
Uncollectable accounts	-	-	-	-	-	16,350	16,350
Depreciation and amortization	3,137	4,706	3,707	11,550	1,426	1,284	14,260
Total	\$ 834,710	\$ 1,781,514	\$ 949,869	\$ 3,566,093	\$ 197,324	\$ 193,940	\$3,957,357
							<u>21,592</u>
							<u>\$3,670,745</u>

See notes to financial statements.

NATIONAL MEDICAL FELLOWSHIPS, INC.

Statements of Functional Expenses
Year Ended December 31, 2017

	Program Services			Supporting Activities			Total 2017 Expenses
	Scholarships And Awards	Service Learning Programs	Public Information and Alumni Relations	Total Program Services	Fundraising	Management and General	
Direct program costs	\$ 309,000	\$ 965,873	\$ 122,752	\$1,397,625	\$ -	\$ -	\$1,397,625
Salaries	186,406	497,082	323,103	1,006,591	136,698	99,416	1,242,705
Payroll taxes and employee benefits	34,191	91,176	59,264	184,631	25,073	18,235	227,939
Travel, promotion and seminars	8,343	61,305	87,358	157,006	3,032	2,205	162,243
Professional fees	6,439	17,171	11,161	34,771	4,722	3,434	42,927
Outside services	29,816	19,745	138,495	188,056	4,118	2,995	195,169
Telephone and internet	5,915	18,672	11,091	35,678	4,337	3,154	43,169
Website development	1,050	2,800	2,039	5,889	770	560	7,219
Postage and delivery	1,488	4,425	2,604	8,517	1,091	794	10,402
Repairs and maintenance	3,940	10,507	6,830	21,277	2,889	2,101	26,267
Office, supplies and printing	4,699	21,647	23,254	49,600	3,325	2,418	55,343
Equipment and leases	1,333	3,555	2,310	7,198	978	711	8,887
Occupancy	14,825	62,335	25,697	102,857	10,872	7,907	121,636
Insurance	2,260	8,036	3,916	14,212	1,657	1,205	17,074
Subscriptions, licenses and warranties	9,800	8,858	27,178	45,836	1,368	995	48,199
Bank, administration and merchant fees	4,008	10,690	6,950	21,648	2,940	2,140	26,728
Miscellaneous	-	-	-	-	-	15,621	15,621
Depreciation and amortization	3,239	8,637	5,614	17,490	2,375	1,727	21,592
Total	\$ 626,752	\$1,812,514	\$ 859,616	\$3,298,882	\$ 206,245	\$ 165,618	\$ 371,863
							\$3,670,745

See notes to financial statements.

NATIONAL MEDICAL FELLOWSHIPS, INC.**Notes to Financial Statements
December 31, 2018 and December 31, 2017****Note 1 – Nature of organization**

The mission of National Medical Fellowships, Inc. (“NMF”) is to provide scholarships and support for underrepresented minority students in medicine and the health professions.

For more than 70 years, as one of America’s first diversity organizations, NMF is the only national organization solely dedicated to providing scholarships and support to medical and health professions students across all minority groups underrepresented in healthcare.* NMF is supported by a network of more than 18,000 Alumni who have serviced tens of millions of patients annually. NMF seeks to identify and nurture tomorrow’s diverse healthcare leaders today, who have the knowledge, skills, cultural competency and commitment to achieve excellence in healthcare for all. Today our mission is more important than ever.

* African Americans, Hawaiian and Alaskan Natives, Hispanics/Latinos, Native Americans, Pacific Islanders, Vietnamese and Cambodians. In 2016, NMF extended eligibility to students with DACA status.

Note 2 – Summary of significant accounting policies**Financial reporting**

Net assets are classified based on the existence absent of donor imposed restrictions.

The net asset of the organization are reported as follows:

Without donor restrictions

Net assets that do not have any donor-imposed stipulations.

With donor restrictions**Temporarily Restricted net assets**

Net assets subject to donor-imposed restrictions on their use that may be met either by actions of NMF or the passage of time. NMF reports contributions as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor stipulation expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently Restricted net assets

Net assets subject to donor-imposed or other legal restrictions requiring that the principal be maintained permanently by NMF. Generally, the donors permit NMF to use all or part of the income earned for either general or donor-specified purposes.

NATIONAL MEDICAL FELLOWSHIPS, INC.

**Notes to Financial Statements (continued)
December 31, 2018 and December 31, 2017**

Note 2 – Summary of significant accounting policies (continued)

Financial reporting (continued)

Not-for-Profit Financial Statement Presentation

During 2018, NMF adopted Accounting Standards Update (“ASU”) No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity’s liquidity, financial performance, and cash flows.

A recap of the net asset reclassifications and restatements driven by the adoption of the ASU as of December 31, 2017 is as follows:

<u>Net Asset Classifications</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
Unrestricted	\$ 93,653	\$ -	\$ 93,653
Temporarily restricted	-	1,605,938	1,605,938
Permanently restricted	-	73,817	73,817
Net assets as restated	<u>\$ 93,653</u>	<u>\$ 1,679,755</u>	<u>\$ 1,773,408</u>

Contributions and unconditional promises to give

Contributions, including unconditional promises to give, are recognized as revenue when pledged.

Cash equivalents

NMF considers highly liquid instruments with an original maturity of ninety days or less to be cash equivalents.

Investments and fair value measurements

Investments are recorded at fair value based on publicly quoted market prices. Gains or losses on sale of investments are determined on the average cost basis method.

Fair value measurement establishes a hierarchy that prioritizes the inputs used to measure fair value into three broad levels. All of NMF’s investments are measured using Level 1 inputs, which are defined as quotes prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date.

NATIONAL MEDICAL FELLOWSHIPS, INC.**Notes to Financial Statements (continued)
December 31, 2018 and December 31, 2017****Note 2 – Summary of significant accounting policies (continued)****Furniture and equipment**

The NMF capitalizes as furniture and equipment expenditures for assets above a nominal amount with an estimated useful life greater than one year. Furniture and equipment are recorded at cost. Depreciation is computed on the straight-line method over the estimated lives of the assets ranging from three to five years.

Concentrations of credit risk

NMF's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents, pledges receivable and investments. NMF places its cash and cash equivalents with what it believes to be quality financial institutions. At times during the year, cash balances may be in excess of the FDIC insurance limits; however NMF has not experienced any losses on these accounts. Pledges receivable consist primarily of amounts due from contributors.

NMF's investments, which consist of money market funds, domestic stock and mutual funds, are exposed to various risks such as interest rate, market volatility, liquidity and credit. Due to uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statements of financial position at December 31, 2018. NMF believes no significant concentrations of credit risk exist with respect to its cash, cash equivalents, pledges receivable and investments.

Use of estimates

The preparation 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 amounts reported in the financial statements. Actual results could differ from these estimates.

Donated services

NMF receives donated services from volunteers who support NMF's programs and activities. During the 2018 and 2017 fiscal years, the total number of hours donated by volunteers amounted to approximately 4,116 and 4,199, respectively. No amounts have been reflected in the financial statements for donated services, as they do not meet the criteria for recognition under the accounting standards, although they constitute a significant factor in the operation of NMF.

Functional expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques including time and effort spent, number of staff and office space usage.

NATIONAL MEDICAL FELLOWSHIPS, INC.

**Notes to Financial Statements (continued)
December 31, 2018 and December 31, 2017**

Note 2 – Summary of significant accounting policies (continued)

Allowance for doubtful accounts

As of December 31, 2018, NMF deems all receivables to be collectible and, accordingly, does not have an allowance for doubtful accounts for any potentially uncollectible receivables. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Reclassification

Certain items in the 2018 fiscal year financial statements have been reclassified to conform with current year presentation.

Subsequent events

NMF has evaluated events and transactions for potential recognition or disclosure through April 16, 2019, which is the date the financial statements were available to be issued.

Note 3 – Liquidity and availability of financial assets

NMF's working capital and cash flows have seasonal variations during the year attributable to the annual cash receipts from contributions and other revenue items.

The following is a summary of the NMF's financial assets as of December 31, 2018, available for general use within one year of the statement of financial.

Cash and cash equivalents	\$ 80,935
Investments at fair value	450,459
Receivables and pledges	<u>1,148,405</u>
Subtotal	1,679,799
Less: Permanently and temporarily restricted	<u>1,229,775</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 450,024</u>

Note 4 – Investments

The following is a summary of investments at December 31, 2018 and December 31, 2017:

	2018		2017	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Money market funds	\$ 65,056	\$ 65,056	\$ 63,653	\$ 63,653
Domestic stock	50,217	46,739	519	2,870
Mutual funds	<u>359,831</u>	<u>338,664</u>	<u>31,438</u>	<u>28,638</u>
Total	<u>\$ 475,104</u>	<u>\$ 450,459</u>	<u>\$ 95,610</u>	<u>\$ 95,161</u>

NATIONAL MEDICAL FELLOWSHIPS, INC.

**Notes to Financial Statements (continued)
December 31, 2018 and December 31, 2017**

Note 5 – Furniture and equipment

Furniture and equipment consists of the following as of December 31, 2018 and December 31, 2017:

	<u>2018</u>	<u>2017</u>
Furniture and equipment	\$ 155,309	\$ 142,508
Less: accumulated depreciation	<u>119,085</u>	<u>104,825</u>
Net property and equipment	<u>\$ 36,224</u>	<u>\$ 37,683</u>

Note 6 – Lease agreements

During May 2013, NMF entered into a lease agreement which expired April 2018. The lease required monthly rent of up to \$7,878 by the end of the lease. In connection with the lease, NMF made an additional \$7,657 security deposit with the landlord.

During October 2018, NMF signed a new lease, for a term of seven years. NMF took possession of the new space during January 2019. Under the terms of the lease, NMF received rent abatement for the first six months of the lease term. NMF is required to pay a minimum rental of \$102,320 during the first year of the lease and escalating to \$118,660 in year seven. In addition to the minimum rental, NMF is responsible for its proportionate share of electricity charges and real estate taxes. As security for this lease, NMF was required to make a security deposit of \$51,160. NMF posted the security deposit during 2019.

During 2019 NMF will adopt Accounting Standards Update No. 2016-02, Leases (Topic 842). The new guidance establishes the principles to report transparent and economically neutral information about the assets and liabilities that arise from leases. The main difference between previous Generally Accepted Accounting Procedures (GAAP) and Topic 842 is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP.

Related party

In January 2012, NMF entered into a lease agreement for office space in Louisiana, commencing January 2012 for a term of two years through December 2013. The lease automatically renews after the termination date for additional terms of one-year periods. The lease requires monthly lease payments of \$1,200. In connection with the lease, NMF delivered to the landlord a security deposit in the amount of \$2,400. During January 2015, NMF added additional space to the existing lease. The current monthly rent is \$1,900. A Board Member of NMF is a partial owner of a company that owns the building in which space is leased.

Note 7 – Net assets with donor restrictions

NMF reports its net assets with donor restrictions in accordance with accounting standards Topic 958 – Endowments. On September 17, 2010, New York adopted a version of the Uniform Prudent Management of Institutional Funds Act (“NYPMIFA”) to govern how not-for-profit organizations administer and manage endowment assets. NYPMIFA may have an effect on the treatment and classification of endowment earnings, the classification of current endowment net assets and financial statements disclosure.

NATIONAL MEDICAL FELLOWSHIPS, INC.

Notes to Financial Statements (continued)
December 31, 2018 and December 31, 2017

Note 7 – Net assets with donor restrictions (continued)

Permanently restricted net assets

There were no fund deficiencies for the year ended December 31, 2018.

The following is a summary of the permanently restricted net assets as of December 31, 2018:

Aura E. Severinghaus	\$	35,288
Lawrence Brown		<u>12,726</u>
Total permanently restricted net assets	\$	<u>48,014</u>

Temporarily restricted net assets

Temporarily restricted net assets are available for the following purposes for the year ended December 31, 2018:

	<u>Balance at</u>	<u>Additions</u>	<u>Remaining</u>	<u>Deductions</u>	<u>Balance at</u>
	<u>12/31/2017</u>		<u>Balance</u>		<u>12/31/2018</u>
United Health Foundation	\$ 663,000	\$ 349,999	\$1,012,999	\$ 354,223	\$ 658,776
Molina Family Donor Advised Fund	-	350,000	350,000	-	350,000
Felecia G. Williams Scholarship	-	125,000	125,000	-	125,000
Hugh J. Andersen Memorial Scholarship Program	53,435	-	53,435	12,500	40,935
NYU School of Medicine Fitz Butler Jones Scholarship	-	10,000	10,000	5,000	5,000
Aetna Foundation, Inc	1,050	1,000	2,050	-	2,050
Anarcha, Betsy and Lucy Scholarship	37,500	-	37,500	37,500	-
Anthem Foundation	10,500	-	10,500	10,500	-
Gerber Foundation	175,000	-	175,000	175,000	-
Gilead Sciences, Inc.	5,493	-	5,493	5,493	-
Kaiser Permanente	217,126	-	217,126	217,126	-
Manhattan Central Medical Society Scholarship	333,334	-	333,334	333,334	-
New York Community Trust	2,000	-	2,000	2,000	-
The California Wellness Foundation	32,500	-	32,500	32,500	-
	<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Total	<u>\$1,605,938</u>	<u>\$ 835,999</u>	<u>\$2,441,937</u>	<u>\$1,260,176</u>	<u>\$1,181,761</u>

NATIONAL MEDICAL FELLOWSHIPS, INC.**Notes to Financial Statements (continued)
December 31, 2018 and December 31, 2017****Note 8 – Retirement plans****401(k) plan**

NMF has a defined contribution 401(k) Plan (the “Plan”) for all eligible employees. Pursuant to the Plan document, participants may elect to defer the maximum amount, as defined by the Internal Revenue Code. Effective January 1, 2013, NMF adopted a Safe Harbour Plan to replace its existing plan. NMF contributes 3% of the employee’s compensation for the year. In addition, it also matches the employee’s contributions up to 3%. Plan expense for the years ended December 31, 2018 and December 31, 2017 amounted to \$46,292 and \$54,624, respectively.

Rabbi trust

In 2009, NMF established a Rabbi Trust for a key employee. NMF makes yearly contributions into the Trust. NMF contributed \$35,000 in 2018 and \$30,000 in 2017. The assets of the Trust vest with the employee based on the agreement.

During fiscal 2009, NMF established a 457(b) Plan for a key employee. The value of the Rabbi Trust and 457(b) Plan has been reflected as a deferred compensation asset and liability.

Note 9 – Tax status

NMF is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, NMF has been determined by the Internal Revenue Service to be a publicly supported organization, and not a private foundation, within the meaning of Section 170(b)(1)(A)(vi) and 509(a)(1) of the Code. Donors are eligible to receive the maximum charitable tax deduction available for public charities under the Code.