SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

Financial Statements

June 30, 2021 and 2020

Together with Independent Auditors' Report

Bonadio & Co., LLP
Certified Public Accountants

SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

Notes to Financial Statements

June 30, 2021 and 2020

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Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

November 4, 2021

To the Board of Trustees of
SU Theatre Corporation (d/b/a Syracuse Stage):

We have audited the accompanying financial statements of SU Theatre Corporation (d/b/a Syracuse Stage) (a nonprofit organization) which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 the 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.

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(Continued)

INDEPENDENT AUDITOR'S REPORT
(Continued)

Auditor's Responsibility (Continued)
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SU Theatre Corporation (d/b/a Syracuse Stage) as of June 30, 2021 and 2020, and the change in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Bonadio & Co., LLP

SU THEATRE CORPORATION
(dba Syracuse Stage)

Statements of Financial Position

June 30, 2021 and 2020

Assets	**2021**	**2020**
Current assets:		
Cash and cash equivalents	$ 1,877,156	$ 2,015,847
Short-term investments	124,963	122,188
Accounts receivable, net	10,840	30,897
Pledges receivable, net	17,337	5,793
Operating grants receivable, net	515,034	34,400
Prepaid expenses and other assets	94,276	146,013
Total current assets	2,639,606	2,355,138
Investments held by Syracuse University	1,779,069	1,400,519
Property and equipment, net	236,716	281,889
Total assets	$ 4,655,391	$ 4,037,546
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	$ 72,705	$ 32,579
SBA PPP Funding	731,175	728,345
Payable to Syracuse University	19,183	—
Deferred revenue	284,408	983,052
Total current liabilities	1,107,471	1,743,976
Net assets:		
Without donor restrictions	2,574,122	1,340,275
With donor restrictions	973,798	953,295
Total net assets	3,547,920	2,293,570
Total liabilities and net assets	$ 4,655,391	$ 4,037,546

The accompanying notes are an integral part of these statements.

SU THEATRE CORPORATION
(dba Syracuse Stage)

Statements of Activities

Years ended June 30, 2021 and 2020

	2021	2020
Change in net assets without donor restrictions:		
Revenues:		
Ticket sales	$ 378,379	$ 1,712,496
Co-Production Revenue	15,583	347,432
Concessions	—	120,777
Interest and investment income	51,984	51,311
Production service	44,760	44,760
Program advertising	26,252	49,879
Education	32,138	11,082
Miscellaneous	2,780	61,008
Grants and donations	4,590,665	3,382,093
In-kind contributions and donated goods and services	341,309	702,674
Fundraising events	113,595	111,504
Net assets released from restrictions	19,000	74,150
Total revenues	5,616,445	6,669,166
Expenses:		
Program Service	$ 3,121,036	$ 4,830,327
Management & General	1,335,568	1,468,525
Fundraising	307,319	296,813
Total expenses	4,763,923	6,595,665
Change in net assets without donor restrictions before unrealized change in fair value of investments	$ 852,522	$ 73,501
Unrealized change in fair value of investments	381,325	(17,273)
Change in net assets without donor restrictions	1,233,847	56,228
Change in net assets with donor restrictions:		
Contributions	$ 39,503	$ 239,000
Released from restrictions	(19,000)	(74,150)
Change in net assets with donor restrictions	20,503	164,850
Change in net assets	1,254,350	221,078
Net assets, beginning of year	2,293,570	2,072,492
Net assets, end of year	$ 3,547,920	$ 2,293,570

The accompanying notes are an integral part of these statements.

SU THEATRE CORPORATION
(dba Syracuse Stage)

Statements of Functional Expense

Years ended June 30, 2021 and 2020

	2021				**2020**			
	Total Expense	**Program Service Expense**	**Management & General Expense**	**Fundraising Expense**	**Total Expense**	**Program Service Expense**	**Management & General Expense**	**Fundraising Expense**
Expense Categories								
Director, Designers, etc. Fees	$ 228,140	$ 228,140	$ —	$ —	$ 199,631	$ 199,631	$ —	$ —
Compensation, Salaries, Wages	2,540,659	1,509,153	860,460	171,046	3,143,021	2,093,240	909,067	140,714
Pension Plans	156,200	82,455	63,508	10,237	171,247	103,601	60,073	7,573
Other Benefits	311,317	198,535	85,876	26,906	358,174	256,632	83,605	17,937
Payroll Taxes	264,377	171,556	76,790	16,031	298,120	201,228	83,668	13,224
Fees for Legal Services	2,171	—	2,171	—	3,767	—	3,767	—
Fees for Account & Payroll Services	43,689	—	43,689	—	34,123	—	34,123	—
Other Fees for Service	1,539	—	1,539	—	1,362	—	1,362	—
Advertising & Promotions	222,736	222,736	—	—	300,810	300,810	—	—
Office Supplies, Telephone, Postage, etc.	80,229	5,793	61,458	12,978	201,497	88,882	83,710	28,905
Information Technology Equipment & Services	57,553	—	57,553	—	54,258	—	54,258	—
Royalties	26,546	26,546	—	—	201,266	201,266	—	—
Occupancy	96,010	67,207	19,202	9,601	101,186	70,830	20,237	10,119
Travel	74,226	71,426	2,800	—	298,336	282,718	15,618	—
Depreciation	71,325	59,898	11,427	—	71,887	62,209	9,678	—
Insurance	3,000	—	3,000	—	3,000	—	3,000	—
Production Supplies & Materials	170,774	170,774	—	—	379,759	379,759	—	—
Casting	11,200	11,200	—	—	36,022	36,022	—	—
Education Programs	27,686	27,686	—	—	25,499	25,499	—	—
Accessibility & Open Captioning	1,450	1,450	—	—	3,145	3,145	—	—
In-kind	341,309	266,481	46,095	28,733	702,674	524,855	106,359	71,460
Fundraising Events	31,787	—	—	31,787	6,881	—	—	6,881
	$ 4,763,923	$ 3,121,036	$ 1,335,568	$ 307,319	$ 6,595,665	$ 4,830,327	$ 1,468,525	$ 296,813

The accompanying notes are an integral part of these statements.

SU THEATRE CORPORATION
(dba Syracuse Stage)

Statements of Cash Flows

Years ended June 30, 2021 and 2020

		2021		2020
Cash flows from operating activities:				
Change in net assets	$	1,254,350	$	221,078
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation		71,325		71,887
Bad debt expense		—		8
Unrealized change in fair value of investments held by Syracuse University		(378,550)		23,102
Unrealized change in fair value of short-term investments		(2,775)		(5,829)
Changes in operating assets and liabilities:				
Accounts receivable		20,057		(19,799)
Pledges receivable		(11,544)		(1,043)
Operating grants receivable		(480,634)		(10,375)
Prepaid expenses and other assets		51,737		93,331
Accounts payable and accrued expenses		40,126		(77,740)
SBA PPP Funding		2,830		728,345
Payable to Syracuse University		19,183		(21,163)
Deferred revenue		(698,644)		(58,160)
Net cash provided by operating activities		(112,539)		943,642
Cash flows from investing activities:				
Purchases of property and equipment		(26,152)		(38,227)
Net cash used in investing activities		(26,152)		(38,227)
Net increase in cash and cash equivalents		(138,691)		905,415
Cash and cash equivalents:				
Beginning of year		2,015,847		1,110,432
End of year	$	1,877,156	$	2,015,847

The accompanying notes are an integral part of these statements.

(1) Summary of Significant Accounting Policies

(a) Description of Business

Syracuse Stage (the Corporation) is the non-profit, professional theatre company in residence at Syracuse University (the University). We are nationally recognized for creating stimulating theatrical work that engages Central New York, and for our significant contribution to the artistic life of Syracuse University, where we are a vital partner in achieving the educational mission of the University's Department of Drama.

Our Mission: Syracuse Stage tells stories that engage, entertain, and inspire us to see life beyond our own experience.

Our Vision: Reimaging what's possible for regional theater – through active inclusion, innovative outreach, and bold productions – Syracuse Stage shapes the culture and social vitality of Central New York, enriches the Syracuse University student experience, and fosters change in ourselves, our communities, and our world.

Our Core Values: ***People*** – Actively including diverse individuals, communities, ideas & perspectives. ***Passion*** – Commitment to integrity, excellence and enthusiasm in our work. ***Curiosity*** – Fostering an innovative and adaptive environment that elicits wonder.

(b) Basis of Presentation

The Corporation's financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles and with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*, which addresses the presentation of financial statements for not-for-profit entities. Accordingly, the Corporation's financial position and activities are classified based on the existence or absence of donor-imposed restrictions. The net assets of the Corporation are classified as follows:

Net Assets Without Donor Restrictions – Net assets without donor restrictions include resources, which are available for the support of the Corporation's operating activities. In addition, they include resources set aside by the Board of

Directors for endowment purposes, over which the Board retains control and may at its discretion subsequently use for other purposes.

Net Assets with Donor Restrictions – Net assets with donor restrictions include those resources, whose use by the Corporation is limited by donor-imposed stipulations that expire; donor-imposed stipulations that do not expire; and donor-imposed stipulations that can be fulfilled or removed by actions of the Corporation pursuant to those stipulations. In the case where the donor-imposed stipulation does not expire, generally the donors of these assets permit the Corporation to use all or part of the investment return from these assets to support program activities.

Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as net assets released from restrictions between the applicable classes of net assets.

(c) Cash and Cash Equivalents

Investments acquired with an original maturity date of three months or less are reported as cash equivalents, unless they are part of long-term investment funds.

(d) Investments

Investments are reported at estimated fair value. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near-term could materially affect the net assets of the Corporation.

Unrealized change in fair value of investments are included in changes in net assets in the accompanying statements of activities. Income earned on net assets with donor restrictions is recorded as revenue without donor restrictions unless specifically restricted by the donor. Interest and investment gains are reported as revenue without donor restrictions if the restrictions are met in the same reporting period.

(e) Fair Value Measurements

The Corporation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Corporation determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

Fair values for shares in registered mutual funds are based on share prices reported by the fund as of the last business day of the fiscal year and are classified in Level 1 of the fair value hierarchy.

There have been no changes in the methodologies used at June 30, 2021 and 2020.

(f) Operating Grants Receivable

Operating grants receivable represent the balance on grants from Syracuse University, governmental entities and foundations. Unconditional grants are recognized as revenues in the period received or promised. Conditional grants are not recognized as revenues until the conditions on which they depend are substantially met. The Corporation has adopted a policy whereby all government and other contracts be recorded as without donor restrictions if the restriction expires in the same reporting period as received. The Corporation considers all operating grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded at June 30, 2021 and 2020.

(g) Property and Equipment

Property and equipment are stated at cost. Depreciation on plant and equipment is calculated on the straight-line method over the estimated useful lives of the related assets.

General infrastructure/public spaces	7 – 10 years
Electrical systems	15 years
Theatre seats	15 years
Theatre equipment	3 – 5 years
Leasehold improvements	7 – 15 years
Production equipment	5 – 10 years
Vehicles	5 – 7 years
Computer hardware	3 – 5 years

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Corporation first compares undiscounted cash flows expected to be generated by that asset or asset group to the carrying amount. If the carrying amount of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying amount exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

(h) Revenue Recognition

ASC 606 outlines a five-step framework for recognizing revenue from exchange transactions. The core principle of the guidance in ASC 606 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 organization expects to be entitled in exchange for those goods or services. The Corporation's accounting policy related to revenues subject to ASC 606 as set forth below.

<u>In-kind Revenue</u> - In-kind contributions and donated goods and services consist of insurance, rent, custodial, building maintenance, legal services, fundraising materials, advertising, and auction items that were donated to the Corporation. Donated services

and in-kind contributions are recorded as revenues and corresponding expenses at fair value in the year services are performed or goods are provided.

Ticket Sales – The Corporation recognizes revenue from tickets sales in the fiscal year of the performance or event.

Concessions – Revenue from concession sales is recognized at a point in time when the concession items are purchased by the patrons.

Fundraising Events – The Corporation conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant attending and a portion represents a contribution to the Corporation. The fair value of meals and entertainment provided at these events is measured at the actual cost to the Corporation. The contribution component is the excess of the gross proceed over the fair value of the direct donor benefit. The direct costs of the fundraising events, which ultimately benefit the donor rather than the Corporation, are recorded as costs of direct donor benefits in the statements of activities. Fundraising event fees collected by the Corporation in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as fundraising revenue after delivery of the event. For fundraising event fees received before year-end for an event to occur after year-end, the inherent contribution is conditioned on the event taking place and is therefore treated as a refundable advance along with the exchange component.

Deferred Revenue – Deferred revenue, a contract liability, is recorded for program revenue received from exchange transactions in which performance obligations have not been met.

(i) Allocation of Certain Expenses

The cost of providing the various programs have been summarized on a functional basis in the statements of functional expenses. The costs are functionalized on a direct basis where possible; and certain categories of expenses, occupancy and in-kind occupancy, which are attributable to more than one program or supporting multiple functions are allocated based on management's estimate of square footage, utilization, or usage.

(j) Advertising Costs

Advertising costs are expensed in the year they are associated with. Barter transactions (revenue and expense) are recognized in the statement of activities at fair value of the advertising surrendered which approximates the amount of advertising received. The revenues recorded for barter transactions is recorded within in-kind contributions and donated goods and services with the associated expense recorded within marketing, education and fundraising within the statements of activities. Advertising expense was $222,736 and $300,810 for the years ended June 30, 2021 and 2020, respectively.

(k) Income Taxes

The Corporation is a tax-exempt corporation as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from income taxes pursuant to Section 501(a) of the Internal Revenue Code. In addition, the Corporation has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. The Corporation believes it has taken no significant uncertain tax positions.

(l) Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those amounts. Significant estimates made in the preparation of these financial statements include the allowances for receivables, the valuation of in-kind gifts, investments, and useful lives of property and equipment.

(m) Risks and Uncertainties

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID-19 on a national and local level are unknown, but it has the potential to result in a significant economic impact. The future impact of this situation on the Corporation and its results and financial position is not presently determinable.

(2) Liquidity

The Corporation has a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Corporation has a $70,000 committed line of credit which could be drawn upon in the event of an unanticipated liquidity need.

The Corporation's financial assets as of June 30, 2021 and 2020 do not include amounts set aside for long-term investing in the quasi-endowment that could be drawn upon if the governing board approves that action. However, amounts already appropriated from either the donor-restricted endowment or quasi-endowment for general expenditure within one year of the statement of financial position date have not been subtracted as unavailable.

The Corporation's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	2021	2020
Cash	$ 1,877,156	$ 2,015,847
Short-term investments	124,963	122,188
Accounts receivable	10,840	30,897
Pledges receivable	17,337	5,793
Syracuse University receivable	14,649	34,400
Shuttered Venue Operator Grant receivable	500,385	—
Total financial assets available within one year	$ 2,545,330	$ 2,209,125

(3) Shuttered Venue Operator Grant

In July 2021 the Corporation was awarded a Shuttered Venue Operators Grant (SVOG) from the U.S. Small Business Administration in the amount of $500,385. Under the terms of this grant, the Corporation will be required to report on its use of the grant funds in accordance with terms and conditions of the SVOG program. Under the terms of the program, the Corporation may utilize these funds to pay for allowable costs incurred between March 1, 2020 and December 31, 2021. Management believes that the Corporation has incurred such costs during the required timeframe and has therefore recorded a SVOG receivable at June 30, 2021.

(4) Related-Party Transactions

Syracuse University contributes to the support of the Corporation by directly paying certain operating expenses, which totaled $614,853 and $612,257 in fiscal years ended 2021 and 2020, respectively. The University also allows the rent-free use of the Regent Theatre Complex, valued at $69,630 and $316,506 in fiscal years ended 2021 and 2020, respectively, recognized as part of in-kind contributions and donated goods and services. See note 12.

The University provided funding of $1,780,100 and $1,786,037 recognized in grants and donations on the statements of activities in fiscal years ended 2021 and 2020, respectively. If the University were to reduce this funding it could have a material adverse effect on the Corporation's results of operations and financial position.

(5) Investments

The Corporation's investments as June 30, 2021 and 2020 are summarized in the following table:

	2021		2020	
	Level 1	**Total**	**Level 1**	**Total**
Short-term investments, measured at fair value:				
Mutual fund	$ 124,963	$ 124,963	$ 122,188	$ 122,188

(6) Investments Held by Syracuse University

The Corporation invests its endowment in five funds with the University. These are included in the accompanying statement of financial position as investments held by Syracuse University.

The Corporation's investment held by the University is stated at net asset value per share based on the Corporation's percentage of the fair value of the underlying investments, consistent with the market approach, which are valued using quoted market prices. There were no changes to valuation techniques during 2021 or 2020.

Investments held by University are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of the investments held by the University will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

The June 30, 2021 and 2020, unit fair values for the pooled investments were $586.73 and $461.88, respectively, and the distributions of investment income to the Corporation were $52,366 and $50,850 in fiscal years ended 2021 and 2020, respectively.

As of June 30, 2021 and 2020, the managed endowment investment pool of the University was invested as follows:

	2021	2020
Marketable equity securities	17.0%	25.4%
Fixed income	8.2	7.8
Real assets	5.2	5.3
Hedge funds	46.9	43.0
Private equity	22.7	18.5
	100.0%	100.0%

(7) Endowment Funds

The Corporation's endowment consists of funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the Corporation to function as endowments (quasi-endowments).

The investment objective of the Corporation is to invest its assets in a prudent manner to achieve a long-term rate of return sufficient to fund a portion of its spending and to increase investment value after inflation. In order to accomplish this objective, the Corporation's long-term investments are held and managed by the University in a long-term investment pool. The University diversifies these investments among asset classes by incorporating several strategies and managers. The Corporation has the ability to redeem these investments on demand.

The University employs asset allocation models having multiyear investment horizons, and it manages its long-term investments in accordance with the total return concept and the goal of maximizing long-term return within acceptable levels of risk. The University's spending policy is aligned with the asset allocation model and is designed to provide a stable level of financial support and to preserve the real value of its endowment. The University compares the performance of its investments against several benchmarks, including its asset allocation spending model policy index.

The Corporation, in accordance with the approval of the Finance Committee of its Board of Directors, utilizes the amount of distribution received from the University for operating purposes.

The Corporation adheres to the New York State Prudent Management of Institutional Funds Act (NYPMIFA). The Corporation has interpreted NYPMIFA as allowing the Corporation to spend or accumulate the amount of an endowment fund that the Corporation determines is prudent for the uses, benefits, purposes and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. The Corporation has not changed the way net assets with donor restrictions in perpetuity are classified as a result of this interpretation and classifies as net assets with donor restrictions in perpetuity (a) the original values of gifts donated to permanent endowments, (b) the original values of subsequent gifts to permanent endowments, and (c) accumulations to permanent endowments made in accordance with the directions of the applicable donors' gift instruments at the times the accumulations are added to the funds. The portion of a donor restricted endowment fund that is not classified in net assets with donor restrictions in perpetuity is required to be classified as net assets with donor restrictions until those amounts are appropriated for spending by the Finance/Administrative Operations Committee of the Corporation's Board of Directors in a manner consistent with the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, the Finance/Administrative Operations Committee of the Board of Directors considers the following factors in making a determination to appropriate or accumulate endowment funds:

- The duration and preservation of the fund
- The purposes of the Corporation and the endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments

- Other resources of the Corporation
- Where appropriate and where circumstances would otherwise warrant, alternatives to expenditure of an endowment fund, giving due consideration to the effect that such alternatives may have on the Corporation
- The investment policies of the Corporation

Endowment net assets consisted of the following at June 30:

	2021		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Donor restricted	$ —	$ 714,295	$ 714,295
Quasi (board designated)	1,064,774	—	1,064,774
Total	$ 1,064,774	$ 714,295	$ 1,779,069

	2020		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Donor restricted	$ —	$ 714,295	$ 714,295
Quasi (board designated)	686,224	—	686,224
Total	$ 686,224	$ 714,295	$ 1,400,519

Changes in endowment net assets for the fiscal year ended June 30, 2021 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, June 30, 2020	$ 686,224	$ 714,295	$ 1,400,519
Investment return	52,366	—	52,366
Unrealized gain	378,550	—	378,550
Distributions	(52,366)	—	(52,366)
Net assets, June 30, 2021	$ 1,064,774	$ 714,295	$ 1,779,069

Changes in endowment net assets for the fiscal year ended June 30, 2020 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, June 30, 2019	$ 709,326	$ 714,295	$ 1,423,621
Investment return	50,850	—	50,850
Unrealized gain	(23,102)	—	(23,102)
Distributions	(50,850)	—	(50,850)
Net assets, June 30, 2020	$ 686,224	$ 714,295	$ 1,400,519

(8) Property and Equipment

Property and equipment consisted of the following at June 30:

		2021		2020
General infrastruction/public spaces	$	146,712	$	146,712
Electrical systems		307,594		307,594
Theatre seats		121,342		121,342
Theatre equipment		68,090		68,090
Leasehold Improvements/Theatre Reconfiguration		29,871		29,871
Production equipment		461,702		445,283
Vehicles		21,400		21,400
Computer hardware		109,589		99,856
		1,266,300		1,240,148
Less: accumulated depreciation		(1,029,584)		(958,259)
Total	$	236,716	$	281,889

Total depreciation expense for the years ended June 30, 2021 and 2020 was $71,325 and $71,887, respectively.

(9) Commitments

The Corporation is required to maintain a reserve of $70,000 under a union contract with Actors' Equity Association. The reserve represents two weeks of the maximum actors and stage managers' payroll, pension and benefit costs for the applicable season.

The Corporation has a $70,000 line of credit with Manufacturers and Traders Trust Company (M&T Bank) with an annual expiration. As of June 30, 2021 and 2020, there were no amounts outstanding under this line of credit.

(10) Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following at June 30:

	2021	2020
Restricted in perpetuity	$ 714,295	$ 714,295
Time restricted:		
Individual donations	34,503	—
Organization donations	5,000	9,000
Foundation donations	220,000	230,000
Total time restricted net assets	259,503	239,000
Total net assets with donor restrictions	$ 973,798	$ 953,295

(11) Benefit Plans

Actors, directors, and designers employed by the Corporation are eligible to participate in the Equity League Pension Trust Fund, SDC League Pension Fund, and the United Scenic Artists Pension Fund. In accordance with the union agreements, the Corporation is required to contribute 8%, 8%, and 9.75%, respectively, of the members' gross earnings to the funds. The totals contributed by the Corporation amounted to $25,282 and $44,895 for the fiscal years ended June 30, 2021 and 2020, respectively.

The risks of participating in these multiemployer defined benefit pension plans are different from single-employer plans because: (a) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers, (b) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be required to be borne by the remaining participating employers, and (c) if the Corporation chooses to stop participating in one of its multiemployer plans, it may be required to pay a withdrawal liability to the plan. In connection with ongoing renegotiation of collective bargaining agreements, the Corporation may discuss and negotiate for the complete or partial withdrawal from one or more multiemployer pension plan. Depending on the number of employees withdrawn in any future period and the financial condition of the multiemployer plan at the time of withdrawal, the associated withdrawal liabilities could be material to the Corporation's change in net assets in the period of the withdrawal. The Corporation has no plans to withdraw from its multiemployer pension plans.

Eligible, nonunion employees participate in a TIAA defined-contribution plan. Employer contributions under the plan, which were based on 3%, 7%, or 11% of qualifying payroll, based on years of service, amounted to $130,918 and $126,663 for the fiscal years ended June 30, 2021 and 2020, respectively.

(12) Grants and Donations

	2021	2020
Syracuse University		
General Funding	$ 1,780,100	$ 1,786,037
Operating Funding	614,853	612,257
Grants:		
Federal	10,000	—
Federal - Paycheck protection program	728,345	—
Federal - SBA SVOG Funding	500,385	—
New York State	27,500	25,500
Onondaga County	17,000	57,890
Foundations	205,950	246,773
Donations:		
Individuals	612,532	573,276
Corporations	94,000	79,360
Service organizations	—	1,000
Subtotal	4,590,665	3,382,093
In-kind contributions, donated goods and services	341,309	702,674
Total	$ 4,931,974	$ 4,084,767

(13) Concentrations of Credit Risk

The Corporation maintains its principal banking relationship with one financial institution. At times, the Corporation has deposit funds in excess of Federal Deposit Insurance Corporation (FDIC) limits. The Corporation has never experienced losses in such accounts.

(14) SBA PPP Funding

In April 2020, the Corporation entered into an arrangement with a bank under the auspices of the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief & Economic Security Act (CARES Act) under which the Organization received $728,345. This arrangement is evidenced by a loan agreement that includes provisions whereby the loan balance can be fully or partially forgiven based on the Corporation's use of the funds, maintenance of its personnel complement, and compliance with certain reporting elements to the Bank in accordance with the requirements of the PPP Program.

The Corporation has elected to account for its PPP arrangement as a conditional contribution, meaning that revenue is recorded as the conditions meeting the requirements for forgiveness are met. Ultimately, forgiveness will be adjudicated by the Bank and approved by the U.S. Small Business Administration. The final outcome of whether this arrangement will be forgiven has not been determined as of the date these financial statements were available to be issued. Through June 30, 2021, the Corporation estimates that it administered the proceeds of its PPP arrangement and managed its staff complement in a manner that is consistent with the framework for forgiveness and was recognized as paycheck protection program income of $728,345 as of June 30, 2021. Subsequent to June 30, 2021, the Corporation received notification from the Small Business Administration (SBA), that the full balance of the loan was forgiven.

In April 2021, the Corporation applied for and received second round PPP funding in the amount of $731,175. While this loan program includes forgiveness provisions, the amount to be forgiven is contingent on the Corporation meeting the requirements of the program which are consistent with those of the first round PPP funding received in fiscal 2020. The second round PPP funding is recorded in SBA PPP Funding on the statements of financial position at June 30, 2021, as the conditions for forgiveness have not yet been achieved. Subsequent to June 30, 2021, the Corporation received notification that the full balance of the loan was forgiven.

These estimates, while considered reasonable as of the date the financial statements were available to be issued, are subject to change based on the Corporation's administration of its PPP arrangement subsequent to year-end.

Under the terms of the PPP loan agreement, any balance related to this arrangement that is not ultimately forgiven will be repayable in monthly installments through April 2026, including interest at 1%.

(15) Commitments and Contingencies

COVID-19 relief funding streams are subject to review by governmental agencies and other funding sources. The outcome of these regulatory reviews and audits may have an effect on the amounts reported in the financial statements. The regulations and requirements related thereto are complex and as a result, there is at least a reasonable possibility that recorded amounts will change in the near term. In the event that the results of a subsequent audit or review indicate that an adjustment is required, the amount will be recognized in the period in which it can be reasonably estimated.

(16) Subsequent Events

Subsequent events have been evaluated through November 4, 2021, the date the financial statements were available to be issued.