The Carroll and Milton Petrie Foundation, Inc.
Financial Statements
December 31, 2024
With Independent Auditor's Report

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ADVISORY TAX AUDIT

The Carroll and Milton Petrie Foundation, Inc.
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Independent Auditor's Report

To the Board of Directors of
The Carroll and Milton Petrie Foundation, Inc.:

Opinion

We have audited the financial statements of The Carroll and Milton Petrie Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024, and the changes in its net assets and its 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 Financial Statements section of our report. We are required to be independent of the Foundation 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 Foundation'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

WithumSmith+Brown, PC

November 10, 2025

The Carroll and Milton Petrie Foundation, Inc.
Statement of Financial Position
December 31, 2024

Assets	
Cash and cash equivalents	$ 12,560,311
Investments	98,243,905
Prepaid excise tax	31,858
Total assets	$ 110,836,074
Liabilities and Net Assets	
Liabilities	
Accounts payable	$ 563
Grants payable, net	3,646,024
Deferred tax liability	133,511
Total liabilities	3,780,098
Net assets	
Net assets without donor restrictions	107,055,976
Total liabilities and net assets	$ 110,836,074

The Notes to Financial Statements are an integral part of this statement.

The Carroll and Milton Petrie Foundation, Inc.
Statement of Activities and Changes in Net Assets
Year Ended December 31, 2024

Revenues and support	
Contributions	$ 1,323,578
Investment return, net	16,091,806
Miscellaneous income	9,504
Total revenues and support	17,424,888
Expenses	
Program services	10,575,732
General and administrative	531,378
Total expenses	11,107,110
Changes in net assets without donor restrictions	6,317,778
Net assets without donor restrictions	
Beginning of year	100,738,198
End of year	$ 107,055,976

The Notes to Financial Statements are an integral part of this statement.

The Carroll and Milton Petrie Foundation, Inc.
Statement of Functional Expenses
Year Ended December 31, 2024

	Program Services	General and Administrative	Total
Grants	$ 9,928,986	$ -	$ 9,928,986
Salaries	467,136	100,017	567,153
Payroll taxes	29,156	6,242	35,398
Employee benefits	66,936	12,823	79,759
Dues and subscriptions	-	40,538	40,538
Information technology	26,760	31,413	58,173
Accounting	-	26,439	26,439
Legal	-	16,434	16,434
Meetings and conferences	28,776	12,333	41,109
Lease expense	-	48,828	48,828
Travel	4,964	7,764	12,728
Insurance	-	6,791	6,791
Consulting	22,053	11,875	33,928
Office expense	965	2,895	3,860
Taxes and fees	-	206,986	206,986
	$ 10,575,732	$ 531,378	$ 11,107,110

The Notes to Financial Statements are an integral part of this statement.

The Carroll and Milton Petrie Foundation, Inc.
Statement of Cash Flows
Year Ended December 31, 2024

Operating activities	
Changes in net assets without donor restrictions	$ 6,317,778
Adjustments to reconcile changes in net assets without donor restrictions to net cash used in operating activities	
Net realized and unrealized gains in fair value of investments	(14,132,164)
Changes in operating assets and liabilities	
Prepaid excise tax expenses	178,142
Accounts payable	563
Grants payable, net	1,284,677
Deferred tax liability	133,511
Net cash used in operating activities	(6,217,493)
Investing activities	
Proceeds from sale of investments	20,073,737
Purchase of investments	(9,018,649)
Net cash provided by investing activities	11,055,088
Net change in cash and cash equivalents	4,837,595
Cash and cash equivalents	
Beginning of year	7,722,716
End of year	$ 12,560,311
Supplemental disclosure of cash flow information	
Cash paid for excise taxes	$ 105,227

The Notes to Financial Statements are an integral part of this statement.

1. Nature of Organization

The Carroll and Milton Petrie Foundation, Inc. (the "Foundation") is a nonprofit organization established in 1998. Its mission is to ensure that all New Yorkers, particularly those from marginalized communities, have the resources and opportunities needed to reach their goals in school, work, and life. The Foundation advances this mission by awarding grants to support colleges, universities, nonprofit organizations, and individuals as they work to improve education and career outcomes for low-income New Yorkers.

2. Summary of Significant Accounting Policies

a. Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

Net assets without donor restrictions: Net assets that are not restricted by donor-imposed stipulations and are available for the general operations of the Foundation. Net assets without donor restrictions may be designated for specific purposes by the Foundation or may be limited by contractual agreements with outside parties. Assets restricted solely through the actions of the Board of Directors (the "Board") are referred to as board-designated net assets and are also reported as net assets without donor restrictions. As of December 31, 2024, there were no net assets without donor restrictions that were subject to board designations.

Net assets with donor restrictions: Net assets subject to donor-imposed restrictions that will be met either by the actions of the Foundation or through the passage of time. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. All donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from donor restrictions. As of December 31, 2024, there were no net assets with donor restrictions.

b. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates include the valuation of investments, net present value of grants payable, and allocation of functional expenses. Actual results could differ from those estimates.

c. Cash and Cash Equivalents

The Foundation considers all cash with an original maturity of three months or less when purchased to be cash equivalents.

d. Investments

Investments in equity securities with readily determinable values, money market funds, and all investments in debt securities are measured at fair value in the statement of financial position based on the quoted market values of the underlying securities. Alternative investments are stated at fair value in the financial statements at the net asset value based on estimates provided by the management of the funds. The alternative investments are nonmarketable and the funds' management values the assets based upon the net asset value multiplied by the number of shares held. The fair values assigned to these assets do not necessarily represent amounts that might be realized upon their ultimate disposition. The amount of gain or loss associated with these investments is reflected in the accompanying financial statements. Gains and losses on sales of these investments are determined using the average cost method. Investment income or loss, including realized and unrealized gains and losses and interest and dividends, net is included in net assets without donor restrictions, unless the income or loss is restricted by the donor or the law.

The Foundation records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return is reported in the statement of activities and changes in net assets and consists of interest and dividend income and realized and unrealized capital gains and losses, less external and direct internal investment expenses. Investment return is reported in net assets without donor restrictions unless its use is restricted by explicit donor stipulation or by law. Purchases and sales of investments are recorded on a settlement date basis and the cost of securities sold is determined using the specific identification method.

Dividends and interest are recognized as earned. Net realized gains or losses and changes in net appreciation or depreciation in fair value are determined by comparing cost to proceeds and fair market value, respectively. Gains and losses on sales of securities are recorded in the statement of activities and changes in net assets in the period in which the securities are sold.

e. Concentration of Credit Risk

Cash and Cash Equivalents
The Foundation has significant cash balances at one financial institution which throughout the year may exceed the amounts insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. Any loss incurred or lack of access to such funds could have a significant adverse impact on the Foundation's financial condition, results of changes in net assets, and cash flows.

Investments
Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash deposits at a brokerage firm. The accounts at the brokerage firm contain cash and securities. Balances are insured for up to $500,000, with a limit of $250,000 for cash, by the Securities Investor Protection Corporation ("SIPC").

The Foundation invests in various investment securities, which are exposed to various risks such as interest rate, market and credit risks. Due to the level risk associated with certain investment securities, it is at least reasonably possible to that changes in the values of investments securities will occur and that such changes could materially affect the amounts reported in the statement of financial position.

f. Revenue Recognition

Contribution Revenue
Contributions are recognized as revenue in the period received or pledged. Contributions are classified and reported based on the existence or absence of donor-imposed restrictions. Contributions received in securities or other noncash contributions are recorded at fair value at the date of the gift.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right to return or release, are not recognized as revenue until the conditions on which they depend have been substantially met. Payments received in advance of conditions being met are recorded as refundable advances on the statement of financial position. Refunds of unexpended grant funds are reported as either revenues without donor restrictions or revenues with donor restrictions, which are dependent on the donor's initial restrictions.

Revenue from all other sources is recognized at a point in time, when earned.

g. Grants Payable and Expense

The Foundation recognizes grants made, including unconditional promises, as expenses in the period made. Conditional promises, that is, those with a measurable performance or other barrier, and a right of return or release, are not recognized in expense until the conditions on which they depend have been substantially met. At December 31, 2024, grants payable to be paid over three years were discounted using the risk-free rate of 4.27%. Amortization of the discount is included in grants expense.

h. Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the statement of activities and changes in net assets and detailed within the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses are recorded based upon the following:

Expense Category	Method of Allocation
Grants	Direct cost
Salaries	Time and effort
Payroll taxes	Time and effort
Employee benefits	Time and effort
Dues and subscriptions	Direct cost
Information technology	Allocated based on benefit
Accounting	Direct cost
Legal	Direct cost
Meetings and conferences	Allocated based on benefit
Rent	Direct cost
Travel	Allocated based on benefit
Consulting	Allocated based on benefit
Insurance	Direct cost
Office expense	Direct cost
Taxes and fees	Direct cost

i. Income Taxes

The Foundation is exempt from federal income tax under Section 501(c)(3) and is classified as a private operating foundation under Section 4940(d)(2) of the Internal Revenue Code and is exempt under state law under similar provisions. The Foundation is subject to excise taxes.

j. Uncertain Tax Positions

U.S. GAAP requires management to evaluate tax positions taken by the Foundation and to recognize a tax liability (or asset) if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by applicable taxing authorities. For the year ended December 31, 2024, the Foundation has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements. There have been no related interest or penalties for the year presented in these financial statements.

3. Liquidity and Availability of Resources

As of December 31, 2024, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses and fulfillment of liabilities, were as follows:

Financial assets	
Cash and cash equivalents	$ 12,560,311
Investments	98,243,905
Financial assets available to meet cash needs for general expenditures within one year	$ 110,804,216

The Foundation regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize investment of its available funds. The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents, marketable debt and equity securities.

4. Investments and Fair Value Measurements

The Foundation has reviewed investments within the framework for measuring fair value which establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 - Fair value measurements based on quoted prices (unadjusted) in active markets that the has the ability to access for identical assets or liabilities. Market price data generally is obtained from exchange or dealer markets.

Level 2 - Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 - Fair value measurements based on valuation techniques that use significant unobservable inputs. Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability. Therefore, the Foundation must make certain assumptions about the inputs a hypothetical market participant would use to value that asset or liability.

The Foundation maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Financial instruments with quoted prices in active markets generally have more pricing observability and require less judgment in measuring fair value. Conversely, financial instruments for which no quoted prices are available have less observability and are measured at fair value using valuation models or other pricing techniques that require more judgement. Pricing observability is affected by a number of factors, including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction, liquidity and general market conditions.

In certain cases, the inputs used to measure the fair value of an asset or liability may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

	Level 1	Level 2	Level 3	Net Asset Value	Total
U.S. Treasury notes	$ 5,965,581	$ -	$ -	$ -	$ 5,965,581
Equity securities	80,784,179	-	-	-	80,784,179
Exchange traded funds	227,052	-	-	-	227,052
Corporate bonds	-	6,752,746	-	-	6,752,746
Municipal bonds	-	2,563,376	-	-	2,563,376
U.S. securitized products	-	1,704,334	-	-	1,704,334
Private equity funds	-	-	-	246,637	246,637
	$86,976,812	$11,020,456	$ -	$ 246,637	$98,243,905

Investments in Certain Entities Carried at Fair Value Using Net Asset Value per Share

The following table represents the unfunded commitments, redemption frequency and notice period for investments in entities that calculate fair value using net asset value per share or its equivalent at December 31:

Asset Class	Number of Funds	Value at 12/31/24	Unfunded Commitments	Redemption Notice Period
Private equity funds	2	$ 232,277	$ -	None

Investment return, net for the year ended December 31, 2024, consisted of the following:

Unrealized gains	$ 9,645,855
Realized gains	4,486,309
Interest and dividends	2,285,046
Investment expenses	(325,404)
	$ 16,091,806

5. Grants Payable

Grants payable activity consists of the following as of December 31, 2024:

Grants payable balance, beginning year	$ 2,361,347
New grants awarded	10,017,939
Payments	(8,644,309)
Discount on grants payable at December 31, 2024	(88,953)
	$ 3,646,024

The following is a summary of future grant payables per the signed agreements which are due as of December 31:

To be paid in 1 year or less	$ 1,922,477
To be paid in 2-5 years	1,812,500
Grants authorized but unpaid	3,734,977
Less: Discount to reflect grants payable at present value	(88,953)
Grants payable, net	$ 3,646,024

6. Income Taxes

The Foundation is subject to a federal excise tax of 1.39% on net investment income, as defined by the Internal Revenue Code. The Foundation is also required to make minimum distributions in accordance with a specific formula. The Foundation made these required minimum distributions for the year covered in these financial statements. The current portion of excise tax expense was approximately $89,000 for the year ended December 31, 2024.

7. Retirement Plan

Effective January 1, 2020, the Foundation established a 403(b) Retirement Plan (the "Plan"). Under terms of the Plan, employees may receive an employer contribution equal to 10% of their annual salary. For the year ended December 31, 2024, discretionary employer contributions to the Plan totaled $54,785 and are included in retirement expenses on the statement of functional expenses.

8. Beneficial Interests in Charitable Remainder Trusts

The Foundation has been named as a remainder beneficiary in certain charitable remainder trusts established by Milton Petrie and administered by external parties. These trusts are irrevocable and provide for distributions to designated income beneficiaries over their lifetimes, with the remaining assets to be distributed to the Foundation upon the termination of the trusts.

At this time, the Foundation is unable to obtain sufficient information to reasonably estimate the fair value of its beneficial interests in these trusts. As such, no asset or contribution revenue has been recognized in the accompanying financial statements related to the remaining value of these interests. The Foundation will recognize contribution revenue and related assets when sufficient information becomes available to permit the fair value measurement of its interests in the trusts.

9. Subsequent Events

The Foundation has evaluated subsequent events occurring after the statement of financial position date through November 10, 2025, the date the financial statements were available for issuance. Based upon this evaluation, the Foundation identified no subsequent events requiring disclosure in or adjustment to the financial statements.