
**CONDON
O'MEARA
McGINTY &
DONNELLY LLP**

Certified Public Accountants

One Battery Park Plaza
New York, NY 10004-1405
Tel: (212) 661 - 7777
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April 6, 2022

Ms. Jeanine Nadler
Director of Finance & Administration
Literacy, Inc.
5030 Broadway, Suite 641
New York, NY 10034

Dear Ms. Nadler:

Enclosed are the tax returns. We will submit, on the organization's behalf, the federal (Form 990) tax returns electronically. Please sign, date and return Form 8879-EO to permit the electronic filings, provided the returns meet with your approval. The enclosed federal and state tax returns are your copy.

Electronic authorization forms may be faxed to 646-438-6250 or emailed to alazzaruolo@comdcpa.com.

We will not forward the New York State Form CHAR500 electronically. The Form CHAR500 must be filed by the organization. The state return is enclosed, in duplicate, with filing instructions.

If you have any questions, please do not hesitate to contact us.

Very truly yours,

Alexander Lazzaruolo

Alexander Lazzaruolo, CPA, Esq.
Partner

TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING

JUNE 30, 2021

PREPARED FOR:

LITERACY, INC.
5030 BROADWAY NO. 641
NEW YORK, NY 10034

PREPARED BY:

CONDON O'MEARA MCGINTY & DONNELLY LLP
ONE BATTERY PARK PLAZA, 7TH FL.
NEW YORK, NY 10004

AMOUNT DUE OR REFUND:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN AND CHECK (IF APPLICABLE) TO:

NOT APPLICABLE

RETURN MUST BE MAILED ON OR BEFORE:

NOT APPLICABLE

SPECIAL INSTRUCTIONS:

THIS RETURN HAS QUALIFIED FOR ELECTRONIC FILING. AFTER YOU HAVE REVIEWED THE RETURN FOR COMPLETENESS AND ACCURACY, PLEASE SIGN, DATE AND RETURN FORM 8879-EO TO OUR OFFICE. WE WILL TRANSMIT THE RETURN ELECTRONICALLY TO THE IRS AND NO FURTHER ACTION IS REQUIRED. RETURN FORM 8879-EO TO US BY MAY 16, 2022

Taxpayer Copy

Form **8879-EO****IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-0047

For calendar year 2020, or fiscal year beginning JUL 1, 2020, and ending JUN 30, 2021**2020**Department of the Treasury
Internal Revenue Service▶ **Do not send to the IRS. Keep for your records.**
▶ **Go to www.irs.gov/Form8879EO for the latest information.**

Name of exempt organization or person subject to tax

Taxpayer identification number

LITERACY, INC.

13-3911331

Name and title of officer or person subject to tax

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a, 2a, 3a, 4a, 5a, 6a, or 7a** below, and the amount on that line for the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b, 5b, 6b, or 7b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b <u>3,899,705.</u>
2a Form 990-EZ check here ▶	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here ▶	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ▶	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here ▶	b Balance due (Form 8868, line 3c)	5b _____
6a Form 990-T check here ▶	b Total tax (Form 990-T, Part III, line 4)	6b _____
7a Form 4720 check here ▶	b Total tax (Form 4720, Part III, line 1)	7b _____

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that ☒ I am an officer of the above organization or I am a person subject to tax with respect to (name of organization) _____, (EIN) _____ and that I have examined a copy of the 2020 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

☒ I authorize CONDON O'MEARA MCGINTY & DONNELLY LLP to enter my PIN 12345
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the tax year 2020 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the organization, I will enter my PIN as my signature on the tax year 2020 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax ▶

Date ▶

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

1360180777

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2020 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ CONDON O'MEARA MCGINTY & DONNELLY LLP Alexander Lazzarulo Date ▶ 4/6/2022

ERO Must Retain This Form - See Instructions**Do Not Submit This Form to the IRS Unless Requested To Do So**

LHA For Paperwork Reduction Act Notice, see instructions.

Form **8879-EO** (2020)**Taxpayer Copy**

023051 11-03-20

09160405 152490 K4H02M

2020.05092 LITERACY, INC.

K4H02M_1

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2020Open to Public
Inspection**A** For the 2020 calendar year, or tax year beginning JUL 1, 2020 and ending JUN 30, 2021**B** Check if applicable:Address change
Name change
Initial return
Final return/terminated
Amended return
Application pending**C** Name of organization

LITERACY, INC.

Doing business as LINC

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
5030 BROADWAY 641City or town, state or province, country, and ZIP or foreign postal code
NEW YORK, NY 10034**F** Name and address of principal officer: JACQUELINE A. KAIKO
SAME AS C ABOVE**D** Employer identification number

13-3911331

E Telephone number
212-620-5462**G** Gross receipts \$ 5,341,553.**H(a)** Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? Yes No

If "No," attach a list. See instructions

H(c) Group exemption number ▶**I** Tax-exempt status: ☒ 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527**J** Website: ▶ WWW.LINCNYC.ORG**K** Form of organization: ☒ Corporation Trust Association Other ▶**L** Year of formation: 1996**M** State of legal domicile: NY**Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO ENGAGE FAMILIES AND COMMUNITIES TO SUPPORT YOUNG READERS IN HIGH NEED AREAS.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	26
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	26
	5	Total number of individuals employed in calendar year 2020 (Part V, line 2a)	5	51
	6	Total number of volunteers (estimate if necessary)	6	110
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	4,039,746.	3,843,842.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	49,500.	22,167.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,839.	-1,304.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	49,064.	35,000.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	4,141,149.	3,899,705.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	2,722,457.	2,681,012.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 455,790.	49,064.	35,000.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	826,192.	833,643.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	3,597,713.	3,549,655.
19	Revenue less expenses. Subtract line 18 from line 12	543,436.	350,050.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	4,273,397.	4,595,330.
	22	Net assets or fund balances. Subtract line 21 from line 20	812,407.	784,841.
			3,460,990.	3,810,489.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name ALEXANDER LAZZARUOLO	Preparer's signature <i>Alexander Lazzaruolo</i>	Date 4/6/2022	Check if self-employed <input type="checkbox"/>	PTIN P01775353
	Firm's name ▶ CONDON O'MEARA MCGINTY & DONNELLY LLP	Firm's EIN ▶ 13-3628255	Phone no. 212-661-7777		
	Firm's address ▶ ONE PARKWAY PARK PLAZA, 7TH FL. NEW YORK, NY 10001				

May the IRS discuss this return with the preparer shown above? See instructions ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒ **X****1** Briefly describe the organization's mission:

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 2,810,819. including grants of \$) (Revenue \$ 22,167.)

SEE SCHEDULE O

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **2,810,819****Taxpayer Copy**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>	10 X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b X	
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17 X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18 X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	X

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>	26	X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O	38	X

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	16
b Enter the number of Forms 990-B included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

	Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	X	
Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4b If "Yes," enter the name of the foreign country		
See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
6b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7b If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d If "Yes," indicate the number of Forms 8282 filed during the year		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9 Sponsoring organizations maintaining donor advised funds.		
a Did the sponsoring organization make any taxable distributions under section 4966?		
9b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12		
10b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders		
11b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.		
a Is the organization licensed to issue qualified health plans in more than one state?		
Note: See the instructions for additional information the organization must report on Schedule O.		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13b Enter the amount of reserves on hand		
13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?		X
14b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?		X
If "Yes," see instructions and file Form 4720, Schedule N.		
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income?		X
If "Yes," complete Form 4798, Schedule O.		

Taxpayer Copy

Form 990 (2020)

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 1a 26		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
b Enter the number of voting members included on line 1a, above, who are independent 1b 26		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? 3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		X
6 Did the organization have members or stockholders? 6		X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7a		X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? 8a	X	
b Each committee with authority to act on behalf of the governing body? 8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O 9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates? 10a		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 10b		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12a	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 12c	X	
13 Did the organization have a written whistleblower policy? 13	X	
14 Did the organization have a written document retention and destruction policy? 14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official 15a	X	
b Other officers or key employees of the organization 15b	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16a		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? 16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► **NY**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☒ Own website ☒ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records ►
 SHARI LEVINE - 212-620-5467
 5030 BROADWAY, NO. 641 NEW YORK, NY 10044

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) SHARI LEVINE EXECUTIVE DIRECTOR	40.00			X				112,500.	0.	41,181.
(2) CARLOS RODRIGUEZ CHAIRPERSON	2.00	X		X				0.	0.	0.
(3) MARY FRATTO ROWE VICE CHAIR	2.00	X		X				0.	0.	0.
(4) JACQUELINE A. KAIKO TREASURER	2.00	X		X				0.	0.	0.
(5) KOSHA UDANI ASSISTANT TREASURER	2.00	X		X				0.	0.	0.
(6) ROBERT E. SPIERER SECRETARY	2.00	X		X				0.	0.	0.
(7) MIMI LEVIN LIEBER FOUNDER	2.00	X						0.	0.	0.
(8) CARL D. FOLTA DIRECTOR	2.00	X						0.	0.	0.
(9) SONIA ORTIZ-GULARDO DIRECTOR	2.00	X						0.	0.	0.
(10) DONOVAN CAMPBELL DIRECTOR	2.00	X						0.	0.	0.
(11) STEVEN CRABBE DIRECTOR	2.00	X						0.	0.	0.
(12) TRACY DOCKRAY DIRECTOR	2.00	X						0.	0.	0.
(13) JOHN HALLEY DIRECTOR	2.00	X						0.	0.	0.
(14) HELENE D. JAFFE DIRECTOR	2.00	X						0.	0.	0.
(15) DAN LEE DIRECTOR	2.00	X						0.	0.	0.
(16) JOHN PANTALENA DIRECTOR	2.00	X						0.	0.	0.
(17) STEPHANIE YOUNG DIRECTOR	2.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) RON RENTEL DIRECTOR	2.00	X						0.	0.	0.
(19) ANN SHORT DIRECTOR	2.00	X						0.	0.	0.
(20) SUSAN ELKIND ORCHANT DIRECTOR	2.00	X						0.	0.	0.
(21) JOHN GALISKI DIRECTOR	2.00	X						0.	0.	0.
(22) ANDREW SPRING DIRECTOR	2.00	X						0.	0.	0.
(23) SYLVAIN GRANDE DIRECTOR	2.00	X						0.	0.	0.
(24) NASREEN DAVIDSON DIRECTOR	2.00	X						0.	0.	0.
(25) CLARE PREMO PEREZ DIRECTOR	2.00	X						0.	0.	0.
(26) JORDAN HALPERN-LEISTNER DIRECTOR	2.00	X						0.	0.	0.
1b Subtotal								112,500.	0.	41,181.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								112,500.	0.	41,181.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

- 3** Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? *If "Yes," complete Schedule J for such individual*
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **1**

SEE PART VII, SECTION A CONTINUATION SHEETS

Form **990** (2020)

[illegible]

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Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	655,547.				
	d Related organizations	1d					
	e Government grants (contributions)	1e	1,616,318.				
	f All other contributions, gifts, grants, and similar amounts not included above ...	1f	1,571,977.				
	g Noncash contributions included in lines 1a-1f	1g	\$ 115,039.				
	h Total. Add lines 1a-1f						
Program Service Revenue	2 a FEES FOR SERVICES	Business Code 900099		22,167.	22,167.		
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f				22,167.		
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			234.		
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross rents		6a	(i) Real	(ii) Personal			
b Less: rental expenses ...		6b					
c Rental income or (loss)		6c					
d Net rental income or (loss)							
7 a Gross amount from sales of assets other than inventory		7a	(i) Securities	(ii) Other			
b Less: cost or other basis and sales expenses		7b	1,427,582.				
c Gain or (loss)		7c	1,429,120.				
d Net gain or (loss)				-1,538.			-1,538.
8 a Gross income from fundraising events (not including \$ 655,547. of contributions reported on line 1c). See Part IV, line 18							
		8a	47,728.				
b Less: direct expenses	8b	12,728.					
c Net income or (loss) from fundraising events			35,000.			35,000.	
9 a Gross income from gaming activities. See Part IV, line 19							
		9a					
b Less: direct expenses	9b						
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances							
		10a					
b Less: cost of goods sold	10b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue	Business Code						
	11 a						
	b						
	c						
	d All other revenue						
e Total. Add lines 11a-11d							
12 Total revenue. See instructions				3,899,705.	22,167.	0.	33,696.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	159,029.	126,225.	12,895.	19,909.
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,187,695.	1,736,424.	177,385.	273,886.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	17,031.	13,518.	1,381.	2,132.
9 Other employee benefits	125,453.	99,574.	10,172.	15,707.
10 Payroll taxes	191,804.	152,239.	15,552.	24,013.
11 Fees for services (nonemployees):				
a Management				
b Legal				
c Accounting	51,111.	43,266.	6,799.	1,046.
d Lobbying				
e Professional fundraising services. See Part IV, line 17	35,000.			35,000.
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	309,313.	214,410.	43,059.	51,844.
12 Advertising and promotion				
13 Office expenses	37,844.	27,765.	5,700.	4,379.
14 Information technology				
15 Royalties				
16 Occupancy	73,312.	57,895.	7,082.	8,335.
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	715.	568.	57.	90.
23 Insurance	12,757.	10,126.	1,034.	1,597.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PROGRAM EXPENSE	239,400.	239,400.		
b CONTRIBUTED BOOKS AND MATERIALS	55,297.	55,297.		
c MISCELLANEOUS	53,894.	34,112.	1,930.	17,852.
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	3,549,655.	2,810,819.	283,046.	455,790.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 8-2 (ASC 938-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	2,529,004.	1	1,295,471.
	2 Savings and temporary cash investments	294,922.	2	1,777,340.
	3 Pledges and grants receivable, net	1,102,102.	3	853,474.
	4 Accounts receivable, net	53,739.	4	24,908.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	26,251.	9	28,546.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 24,381.		
	b Less: accumulated depreciation	10b 23,309.		
		1,787.	10c	1,072.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	249,922.	12	599,893.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	15,670.	15	14,626.	
16 Total assets. Add lines 1 through 15 (must equal line 33)	4,273,397.	16	4,595,330.	
Liabilities	17 Accounts payable and accrued expenses	321,300.	17	284,841.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	491,107.	25	500,000.
	26 Total liabilities. Add lines 17 through 25	812,407.	26	784,841.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	1,893,694.	27	2,357,778.
	28 Net assets with donor restrictions	1,567,296.	28	1,452,711.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	3,460,990.	32	3,810,489.
	33 Total liabilities and net assets/fund balances	4,273,397.	33	4,595,330.

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Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,899,705.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,549,655.
3	Revenue less expenses. Subtract line 2 from line 1	3	350,050.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	3,460,990.
5	Net unrealized gains (losses) on investments	5	-551.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	3,810,489.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	X
b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____	3a	X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____	3b	

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Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2020

Open to Public Inspection

Name of the organization

LITERACY, INC.

Employer identification number	
--------------------------------	--

13-3911331

Part I	Reason for Public Charity Status. (All organizations must complete this part.) See instructions.
---------------	---------------------------------------------------------------------------------------------------------

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations

g Provide the following information about the supported organization(s).

g Provide the following information about the supported organization(s).						
(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

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Total

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. 032021 01-25-21 Schedule A (Form 990 or 990-EZ) 2020

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2,310,579.	3,586,162.	3,833,859.	3,948,046.	3,843,842.	17,522,488.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	2,310,579.	3,586,162.	3,833,859.	3,948,046.	3,843,842.	17,522,488.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						3,171,276.
6 Public support. Subtract line 5 from line 4.						14,351,212.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
7 Amounts from line 4	2,310,579.	3,586,162.	3,833,859.	3,948,046.	3,843,842.	17,522,488.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	717.	676.	778.	530.	234.	2,935.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	60,251.	43,352.				103,603.
11 Total support. Add lines 7 through 10						17,629,026.
12 Gross receipts from related activities, etc. (see instructions)					12	194,853.
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						► <input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2020 (line 6, column (f), divided by line 11, column (f))	14	81.41	%
15 Public support percentage from 2019 Schedule A, Part II, line 14	15	76.99	%
16a 33 1/3% support test - 2020. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			► <input checked="" type="checkbox"/>
b 33 1/3% support test - 2019. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			► <input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2020. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization			► <input type="checkbox"/>
b 10% -facts-and-circumstances test - 2019. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization			► <input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions			► <input type="checkbox"/>

Schedule A (Form 990 or 990-EZ) 2020

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Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2020 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2019 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2020 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2019 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2020. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests - 2019. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ☐

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>If "Yes," complete Schedule C, Form 990, to determine whether the organization had excess business holdings.</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in lines 11b and 11c below, the governing body of a supported organization?		
11a		
b A family member of a person described in line 11a above?		
11b		
c A 35% controlled entity of a person described in line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI .		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
1		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
2		
3 By reason of the relationship described in line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		
3		

Section E. Type III Functionally Integrated Supporting Organizations

	Yes	No
1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).		
2 Activities Test. Answer lines 2a and 2b below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
2a		
b Did the activities described in line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
2b		
3 Parent of Supported Organizations. Answer lines 3a and 3b below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? If "Yes" or "No" provide details in Part VI .		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). See instructions.
All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990 or 990-EZ) 2020

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Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	1	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	3	
4 Amounts paid to acquire exempt-use assets	4	
5 Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i>)	5	
6 Other distributions (<i>describe in Part VI</i>). See instructions.	6	
7 Total annual distributions. Add lines 1 through 6.	7	
8 Distributions to attentive supported organizations to which the organization is responsive (<i>provide details in Part VI</i>). See instructions.	8	
9 Distributable amount for 2020 from Section C, line 6	9	
10 Line 8 amount divided by line 9 amount	10	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2020	(iii) Distributable Amount for 2020
1 Distributable amount for 2020 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2020 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3 Excess distributions carryover, if any, to 2020			
a From 2015			
b From 2016			
c From 2017			
d From 2018			
e From 2019			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2020 distributable amount			
i Carryover from 2015 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2020 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2020 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2020, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
6 Remaining underdistributions for 2020. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
7 Excess distributions carryover to 2021. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2016			
b Excess from 2017			
c Excess from 2018			
d Excess from 2019			
e Excess from 2020			

Schedule A (Form 990 or 990-EZ) 2020

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Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.
(See instructions.)

SCHEDULE A, PART II, LINE 10, EXPLANATION FOR OTHER INCOME:

MISCELLANEOUS

2016 AMOUNT: \$ 60,251.

2017 AMOUNT: \$ 43,352.

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Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

- ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2020

Name of the organization

LITERACY, INC.

Employer identification number

13-3911331

Organization type (check one):**Filers of:****Section:**

Form 990 or 990-EZ

☒ 501(c)(3) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☒ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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Name of organization	Employer identification number
LITERACY, INC.	13-3911331

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	NEW YORK CITY DISCRETIONARY FUNDING UNDER ONE DYCD 123 WILLIAM ST. NEW YORK, NY 10038	\$ 1,106,700.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	PINKERTON FOUNDATION 610 FIFTH AVENUE SUITE #316 NEW YORK, NY 10020	\$ 494,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	CARMEL HILL FOUNDATION P.O. BOX 1050 CARMEL, CA 93921	\$ 404,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	STATEN ISLAND FOUNDATION 260 CHRISTOPHER LAND SUITE #3B STATEN ISLAND, NY 10314	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	VIACOM 1515 BROADWAY NEW YORK, NY 10036	\$ 85,100.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	SBA - PAYROLL PROTECTION PROGRAM 409 3RD ST, SW WASHINGTON, DC 20416	\$ 491,107.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
LITERACY, INC.	13-3911331

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

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Employer identification number

13-3911331

Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ► \$ _____

Use duplicate copies of Part III if additional space is needed.

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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2020

Open to Public Inspection

Name of the organization

LITERACY, INC.

Employer identification number

13-3911331

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (for example, recreation or education) ☐ Preservation of a historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$

(ii) Assets included in Form 990, Part X ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ▶ \$

b Assets included in Form 990, Part X ▶ \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

a ☐ Public exhibition

d ☐ Loan or exchange program

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	1,567,296.	1,308,562.	1,077,008.	975,596.	1,158,446.
b Contributions	1,091,000.	1,400,550.	1,201,066.	1,069,512.	843,100.
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs	1,205,585.	1,141,816.	969,512.	968,100.	1,025,950.
f Administrative expenses					
g End of year balance	1,452,711.	1,567,296.	1,308,562.	1,077,008.	975,596.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ☐ %

b Permanent endowment ☐ %

c Term endowment ☐ 100 %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) Unrelated organizations

(ii) Related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		24,381.	23,309.	1,072.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				1,072.

Schedule D (Form 990) 2020

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Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A) INVESTMENTS IN U.S. TREASURY BILLS	599,893.	COST
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶	599,893.	

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) PPP LOAN	500,000.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	500,000.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ... ☐

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Schedule D (Form 990) 2020

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	3,913,451.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	-551.
b	Donated services and use of facilities	2b	49,297.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	48,746.
3	Subtract line 2e from line 1	3	3,864,705.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	35,000.
c	Add lines 4a and 4b	4c	35,000.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	3,899,705.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	3,563,952.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	49,297.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	49,297.
3	Subtract line 2e from line 1	3	3,514,655.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	35,000.
c	Add lines 4a and 4b	4c	35,000.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	3,549,655.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4:

TEMPORARILY RESTRICTED NET ASSETS CONSIST OF CONTRIBUTIONS THAT ARE

RESTRICTED BY THE DONOR FOR A SPECIFIC PROJECT OR PURPOSE OR RELATE TO

FUTURE PERIODS.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

GROSS UP OF PROFESSIONAL FUNDRAISING 35,000.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

GROSS UP OF PROFESSIONAL FUNDRAISING 35,000.

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Part XIII Supplemental Information *(continued)*

Area for supplemental information with horizontal lines.

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Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events NONE	(d) Total events (add col. (a) through col. (c))
		VIRTUAL GALA (event type)	(event type)	(total number)	
Revenue	1 Gross receipts	703,275.			703,275.
	2 Less: Contributions	655,547.			655,547.
	3 Gross income (line 1 minus line 2)	47,728.			47,728.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	12,728.			12,728.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				12,728.
	11 Net income summary. Subtract line 10 from line 3, column (d)				35,000.

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d)				

9 Enter the state(s) in which the organization conducts gaming activities: _____

a Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: _____

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- 11** Does the organization conduct gaming activities with nonmembers? ☐ Yes ☐ No
- 12** Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13** Indicate the percentage of gaming activity conducted in:
- | | | |
|--------------------------------------|------------|---|
| a The organization's facility | 13a | % |
| b An outside facility | 13b | % |
- 14** Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ► _____

Address ► _____

- 15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____

c If "Yes," enter name and address of the third party:

Name ► _____

Address ► _____

- 16** Gaming manager information:

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

☐ Director/officer☐ Employee☐ Independent contractor

- 17** Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Part IV Supplemental Information. Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

SCHEDULE G, PART I, LINE 2B, LIST OF TEN HIGHEST PAID FUNDRAISERS:

(I) NAME OF FUNDRAISER: W. DOUGLAS WINGO INC.

(I) ADDRESS OF FUNDRAISER: 350 SEVENTH AVE., STE. 1601, NEW YORK, NY 10001

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Part IV Supplemental Information *(continued)*

Area for supplemental information with horizontal lines.

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**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

- For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
- ▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**
- ▶ **Attach to Form 990.**
- ▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2020

Open to Public
Inspection

Name of the organization

LITERACY, INC.

Employer identification number

13-3911331

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--------------------------------------------------------------------|----------------------------------------------------------------------------|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--------------------------------------------------------------|--------------------------------------------------------------------------|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

a Receive a severance payment or change-of-control payment?

b Participate in or receive payment from a supplemental nonqualified retirement plan?

c Participate in or receive payment from an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b		
2		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2020

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Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

[illegible]

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Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

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**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

OMB No. 1545-0047

2020

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- ▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Name of the organization

LITERACY, INC.

Employer identification number

13-3911331

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	6	59,742.	FMV
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other ...				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (DONATED GOODS)	X	2	32,815.	FMV
26 Other ▶ (BOOKS/MATERIA)	X	5	22,482.	FMV
27 Other ▶ ()				
28 Other ▶ ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions
for which the organization completed Form 8283, Part V, Donee Acknowledgement

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it
must hold for at least three years from the date of the initial contribution, and which isn't required to be used for
exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash
contributions?

b If "Yes," describe in Part II.

33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked,
describe in Part II.

	Yes	No
30a		X
31		X
32a		X

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Schedule M (Form 990) 2020

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Supplemental Information. Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2020

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Inspection

Name of the organization

LITERACY, INC.

Employer identification number

13-3911331

FORM 990, PART III, LINE 1

LITERACY INC. (LINC) IS AN AWARD-WINNING ORGANIZATION THAT PROVIDES

EFFECTIVE EARLY LEARNING STRATEGIES FOR PARENTS TO BUILD A STRONG

LITERACY FOUNDATION FOR THEIR CHILDREN DURING THEIR FIRST FIVE YEARS OF

DEVELOPMENT, A TIME WHEN THEIR FUTURE OUTCOMES ARE SHAPED. OUR MISSION

IS TO ENGAGE FAMILIES AND COMMUNITY MEMBERS TO SUPPORT YOUNG READERS IN

HIGH-NEED NEIGHBORHOODS. WITH LINC, CHILDREN BECOME LIFELONG READERS;

PARENTS LEARN AND DEVELOP SKILLS, VOLUNTEER AT SCHOOL AND BECOME

LITERACY ADVOCATES IN THEIR COMMUNITIES.

FORM 990, PART III, LINE 4A

LINC'S 2-GENERATION AND COMMUNITY-BASED EARLY CHILDHOOD PROGRAMMING,

DELIVERED PHYSICALLY (PRE-COVID19 AND SAFELY DURING COVID) AND ON ITS

WEBSITE AND ACROSS MULTIPLE VIRTUAL PLATFORMS (POST-COVID19), MOBILIZED

MORE THAN 185 COMMUNITY PARTNERS, INCLUDING LIBRARIES, TO DELIVER 154

READING EVERYWHERE PROGRAMS AND 82 PARENT WORKSHOPS. WE ALSO GRADUATED

46 PARENTS IN OUR VERY INVOLVED PARENT ACADEMY.

OUR IMPACT IS EVIDENT IN THE ATTITUDE AND BEHAVIOR CHANGE AMONG PARENTS

WHO PARTICIPATED IN OUR PROGRAMS:

75% LINC PARENTS WITH CHILDREN YOUNGER THAN FIVE REPORT READING FIVE OR

MORE DAYS A WEEK TO THEIR CHILD COMPARED TO ONLY 42% OF PARENTS WHO

HAVE NOT ATTENDED LINC PROGRAMS

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032211 11-20-20

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Name of the organization LITERACY, INC.	Employer identification number 13-3911331
--------------------------------------------	----------------------------------------------

72% OF LINC PARENTS REPORT HAVING ESTABLISHED A STRUCTURED READING

ROUTINE AT BEDTIME COMPARED TO ONLY 26% OF PARENTS WHO HAVE NOT

ATTENDED LINC PROGRAMS

72% OF LINC PARENTS REPORT HAVING 10 OR MORE AGE-APPROPRIATE BOOKS IN

THE HOME COMPARED TO 42% OF PARENTS WHO HAVE NOT ATTENDED LINC PROGRAMS

89% PARENTS MAKE THE READING EXPERIENCE ENGAGING BY ASKING QUESTIONS

ABOUT THE STORY AND PICTURES BEDTIME COMPARED TO ONLY 61% OF PARENTS

WHO HAVE NOT ATTENDED LINC PROGRAMS

90% PARENTS OF CHILDREN YOUNGER THAN FIVE KNOW THE IMPORTANCE OF

READING TO THEIR CHILD FROM THE DAY THEY ARE BORN

FROM PARENTS TO LITERACY ADVOCATES. PARENTS WHO GRADUATE FROM OUR VERY

INVOLVED PARENT (VIP) ACADEMY ARE A STRONG CATALYST FOR CHANGE AT

MULTIPLE LEVELS. THESE PARENTS SUSTAINED AND EVEN INCREASED THEIR

FAMILY'S READING HABITS DURING THE COVID PANDEMIC

98% READ BY THEMSELVES MORE OFTEN OR THE SAME AMOUNT DURING THE

PANDEMIC

88% READ TO THEIR CHILDREN MORE OFTEN OR THE SAME AMOUNT DURING THE

PANDEMIC

97% OF VIP CHILDREN READ TO THEMSELVES MORE OFTEN OR THE SAME AMOUNT

DURING THE PANDEMIC

89% TALK, PLAY, AND SING MORE OFTEN WITH THEIR CHILDREN.

90% FEEL MORE KNOWLEDGEABLE ABOUT CHILD DEVELOPMENT

Name of the organization LITERACY, INC.	Employer identification number 13-3911331
--------------------------------------------	----------------------------------------------

95% FEEL MORE CONFIDENT TALKING TO NEIGHBORS ABOUT THE IMPORTANCE OF
READING TO CHILDREN.

95% FEEL MORE KNOWLEDGEABLE ABOUT WHERE TO FIND LITERACY RESOURCES IN
THEIR COMMUNITY.

97% GO TO THE LIBRARY MORE OFTEN (PRIOR TO COVID).

97% ARE MORE ACTIVE IN THEIR CHILDREN'S LEARNING AT HOME.

97% ARE MORE ACTIVE IN THEIR CHILDREN'S EDUCATION AT SCHOOL.

100% UNDERSTAND HOW TO CHOOSE THE RIGHT BOOK FOR CHILDREN AT DIFFERENT
AGES.

100% PARENTS KNOW ABOUT MORE RESOURCES AND SUPPORT FOR THEIR FAMILIES.

FORM 990, PART VI, SECTION B, LINE 11B:

A DRAFT OF THE FORM 990 IS E-MAILED TO BOARD MEMBERS FOR COMMENT BEFORE
FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

TO REGULARLY MONITOR AND ENFORCE COMPLIANCE WITH THE LINC'S CONFLICT OF
INTEREST POLICY, ANNUAL CONFLICT OF INTEREST STATEMENTS ARE SIGNED.

FORM 990, PART VI, SECTION B, LINE 15:

THE BOARD OF DIRECTORS CONDUCTS A YEARLY PERFORMANCE REVIEW OF THE
EXECUTIVE DIRECTOR AND SETS THE SALARY FOR THE NEW YEAR. THIS IS DONE
APPROXIMATELY IN SEPTEMBER FOR AN OCTOBER 1 NEW SALARY.

FORM 990, PART VI, SECTION C, LINE 19:

LINC MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AVAILABLE
UPON REQUEST. THE FINANCIAL STATEMENTS ARE AVAILABLE ON THE LINC WEBSITE.

TAX RETURN FILING INSTRUCTIONS

NEW YORK FORM CHAR500

FOR THE YEAR ENDING

JUNE 30, 2021

PREPARED FOR:

LITERACY, INC.
5030 BROADWAY NO. 641
NEW YORK, NY 10034

PREPARED BY:

CONDON O'MEARA MCGINTY & DONNELLY LLP
ONE BATTERY PARK PLAZA, 7TH FL.
NEW YORK, NY 10004

AMOUNT OF TAX:

BALANCE DUE OF \$275

MAKE CHECK PAYABLE TO:

DEPARTMENT OF LAW

MAIL TAX RETURN TO:

NYS OFFICE OF ATTORNEY GENERAL
CHARITIES BUREAU REGISTRATION SECTION
28 LIBERTY STREET
NEW YORK, NY 10005

RETURN MUST BE MAILED ON OR BEFORE:

PLEASE MAIL AS SOON AS POSSIBLE.

SPECIAL INSTRUCTIONS:

THE REPORT SHOULD BE SIGNED AND DATED BY AN AUTHORIZED INDIVIDUAL(S).

NEW YORK FORM CHAR500 REPORTS SHOULD ALSO BE FILED WITH THE DEPARTMENT OF STATE VIA THE WEB AT: [HTTPS://MY.NY.GOV/](https://my.ny.gov/)

THE ATTACHED COPY OF THE FEDERAL FORM 990 MUST BE PROPERLY SIGNED AND DATED.

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CHAR500

NYS Annual Filing for Charitable Organizations
www.CharitiesNYS.com

Send with fee and attachments to:
NYS Office of the Attorney General
Charities Bureau Registration Section
28 Liberty Street
New York, NY 10005

2020
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Inspection

1. General Information

For Fiscal Year Beginning (mm/dd/yyyy) 07/01/2020 and Ending (mm/dd/yyyy) 06/30/2021		
Check if Applicable: Address Change Name Change Initial Filing Final Filing Amended Filing Reg ID Pending	Name of Organization: LITERACY, INC.	Employer Identification Number (EIN): 13-3911331
	Mailing Address: 5030 BROADWAY, NO. 641	NY Registration Number: 05-95-39
	City / State / ZIP: NEW YORK, NY 10034	Telephone: 212 620-5462
	Website: WWW.LINCNYC.ORG	Email:
	Check your organization's registration category: 7A only EPTL only <input checked="" type="checkbox"/> DUAL (7A & EPTL) EXEMPT* Confirm your Registration Category in the Charities Registry at www.CharitiesNYS.com .	

2. Certification

See instructions for certification requirements. Improper certification is a violation of law that may be subject to penalties. The certification requires two signatories.

We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief, they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.

President or Authorized Officer:

Signature

Print Name and Title

Date

Chief Financial Officer or Treasurer:

Signature

Print Name and Title

Date

3. Annual Reporting Exemption

Check the exemption(s) that apply to your filing. If your organization is claiming an exemption under one category (7A or EPTL only filers) or both categories (DUAL filers) that apply to your registration, complete only parts 1, 2, and 3, and submit the certified Char500. No fee, schedules, or additional attachments are required. If you cannot claim an exemption or are a DUAL filer that claims only one exemption, you must file applicable schedules and attachments and pay applicable fees.

3a. 7A filing exemption: Total contributions from NY State including residents, foundations, government agencies, etc. did not exceed \$25,000 and the organization did not engage a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during the fiscal year.

3b. EPTL filing exemption: Gross receipts did not exceed \$25,000 and the market value of assets did not exceed \$25,000 at any time during the fiscal year.

4. Schedules and Attachments

See the following page for a checklist of schedules and attachments to complete your filing.	<input checked="" type="checkbox"/> Yes	No	4a. Did your organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? If yes, complete Schedule 4a.
	<input checked="" type="checkbox"/> Yes	No	4b. Did the organization receive government grants? If yes, complete Schedule 4b.

5. Fee

See the checklist on the next page to calculate your fee(s). Indicate fee(s) you are submitting here:	7A filing fee: \$ <u>25.</u>	EPTL filing fee: \$ <u>250.</u>	Total fee: \$ <u>275.</u>	Make a single check or money order payable to: "Department of Law"
-------------------------------------------------------------------------------------------------------	---------------------------------	------------------------------------	------------------------------	------------------------------------------------------------------------------

CHAR500 Annual Filing for Charitable Organizations (Updated January 2021)

*The "Exempt" category refers to an organization's NYS registration status. It does not refer to its IRS tax designation.

CHAR500

Annual Filing Checklist

Simply submit the certified CHAR500 with no fee, schedule, or additional attachments IF:

- Your organization is registered as 7A only and you marked the 7A filing exemption in Part 3.
- Your organization is registered as EPTL only and you marked the EPTL filing exemption in Part 3.
- Your organization is registered as DUAL and you marked both the 7A and EPTL filing exemption in Part 3.

Checklist of Schedules and Attachments

Check the schedules you must submit with your CHAR500 as described in Part 4:

- ☒ If you answered "yes" in Part 4a, submit Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsel (FRC), Commercial Co-Venturers (CCV)
- ☒ If you answered "yes" in Part 4b, submit Schedule 4b: Government Grants

Check the financial attachments you must submit with your CHAR500:

- ☒ IRS Form 990, 990-EZ, or 990-PF, and 990-T if applicable
- ☒ All additional IRS Form 990 Schedules, including Schedule B (Schedule of Contributors). Schedule B of public charities is exempt from disclosure and will not be available for public review.
- ☐ Our organization was eligible for and filed an IRS 990-N e-postcard. Our revenue exceeded \$25,000 and/or our assets exceeded \$25,000 in the filing year. We have included an IRS Form 990-EZ for state purposes only.

If you are a 7A only or DUAL filer, submit the applicable independent Certified Public Accountant's Review or Audit Report:

- ☐ Review Report if you received total revenue and support greater than \$250,000 and up to \$750,000.
- ☒ Audit Report if you received total revenue and support greater than \$750,000
- ☐ No Review Report or Audit Report is required because total revenue and support is less than \$250,000
- ☐ We are a DUAL filer and checked box 3a, no Review Report or Audit Report is required

Calculate Your Fee

For 7A and DUAL filers, calculate the 7A fee:

- ☐ \$0, if you checked the 7A exemption in Part 3a
- ☒ \$25, if you did not check the 7A exemption in Part 3a

For EPTL and DUAL filers, calculate the EPTL fee:

- ☐ \$0, if you checked the EPTL exemption in Part 3b
- ☐ \$25, if the NET WORTH is less than \$50,000
- ☐ \$50, if the NET WORTH is \$50,000 or more but less than \$250,000
- ☐ \$100, if the NET WORTH is \$250,000 or more but less than \$1,000,000
- ☒ \$250, if the NET WORTH is \$1,000,000 or more but less than \$10,000,000
- ☐ \$750, if the NET WORTH is \$10,000,000 or more but less than \$50,000,000
- ☐ \$1500, if the NET WORTH is \$50,000,000 or more

Send Your Filing

Send your CHAR500, all schedules and attachments, and total fee to:

NYS Office of the Attorney General
Charities Bureau Registration Section
28 Liberty Street
New York, NY 10005

Is my Registration Category 7A, EPTL, DUAL or EXEMPT?

Organizations are assigned a Registration Category upon registration with the NY Charities Bureau:

7A filers are registered to solicit contributions in New York under Article 7-A of the Executive Law ("7A")**EPTL** filers are registered under the Estates, Powers & Trusts Law ("EPTL") because they hold assets and/or conduct activities for charitable purposes in NY.**DUAL** filers are registered under both 7A and EPTL.**EXEMPT** filers have registered with the NY Charities Bureau and meet conditions in **Schedule E - Registration Exemption for Charitable Organizations**. These organizations are not required to file annual financial reports but may do so voluntarily.Confirm your Registration Category and learn more about NY law at www.CharitiesNYS.com.Where do I find my organization's NET WORTH?

NET WORTH for fee purposes is calculated on:

- IRS Form 990 Part I, line 22
- IRS Form 990 EZ Part I, line 21
- IRS Form 990 PF, calculate the difference between Total Assets at Fair Market Value (Part II, line 16(c)) and Total Liabilities (Part II, line 23(b)).

Need Assistance?Visit: www.CharitiesNYS.com

Call: (212) 416-8401

Email: Charities.Bureau@ag.ny.gov**Taxpayer Copy**

CHAR500

Schedule 4a: Professional Fund Raisers, Fund Raising Counsels, Commercial Co-Venturers
www.CharitiesNYS.com

2020

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If you checked the box in question 4a in Part 4 on the CHAR500 Annual Filing for Charitable Organizations, complete this schedule for EACH Professional Fund Raiser (PFR), Fund Raising Counsel (FRC) or Commercial Co-Venturer (CCV) that the organization engaged for fund raising activity in NY State. The PFR or FRC should provide its NY Registration Number to you. Include this schedule with your certified CHAR500 NYS Annual Filing for Charitable Organizations and use additional pages if necessary.

Definitions

A **Professional Fund Raiser (PFR)**, in addition to other activities, conducts solicitation of contributions and/or handles the donations (Article 7A, 171-a.4).

A **Fund Raising Counsel (FRC)** does not solicit or handle contributions but limits activities to advising or assisting a charitable organization to perform such functions for itself (Article 7A, 171-a.9).

A **Commercial Co-Venturer (CCV)** is an individual or for-profit company that is regularly and primarily engaged in trade or commerce other than raising funds for a charitable organization and who advertises that the purchase or use of goods, services, entertainment or any other thing of value will benefit a charitable organization (Article 7A, 171-a.6).

Professional fund raising does not include activities by an organization's development staff, volunteers, or a grantwriter who has been hired solely to draft applications for funding from a government agency or tax exempt organization.

1. Organization Information

Name of Organization:	NY Registration Number:
LITERACY, INC.	05-95-39

2. Professional Fund Raiser, Fund Raising Counsel, Commercial Co-Venturer Information

Fund Raising Professional type:	Name of FRP:	NY Registration Number:
<input checked="" type="checkbox"/> Professional Fund Raiser	W. DOUGLAS WINGO INC.	40-52-84
<input type="checkbox"/> Fund Raising Counsel	Mailing Address:	Telephone:
<input type="checkbox"/> Commercial Co-Venturer	350 SEVENTH AVENUE, SUITE 1504	212-244-4880
	City / State / ZIP:	
	NEW YORK, NY 10004	

3. Contract Information

Contract Start Date:	Contract End Date:
07/01/2020	06/30/2021

4. Description of Services

Services provided by FRP:

WINGO WORKED WITH LITERACY, INC. TO PRODUCE A VIRTUAL GALA EVENT.

5. Description of Compensation

Compensation arrangement with FRP:	Amount Paid to FRP:
CONTRACTUALLY AGREED LUMP SUM PAYMENT	35,000.

6. Commercial Co-Venturer (CCV) Report

☐ Yes ☐ No If services were provided by a CCV, did the CCV provide the charitable organization with the interim or closing report(s) required by Section 173(a) part 3 of the Executive Law Article 7A?

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Schedule 4b: Government Grants
www.CharitiesNYS.com

2020

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If you checked the box in question 4b in Part 4, complete this schedule and list EACH government grant award by a domestic (federal, state or local) agency; interstate or intergovernmental agency (for example Port Authority of New York and New Jersey); and state or local authorities.

Use additional pages if necessary. Include this schedule with your certified CHAR500 NYS Annual Filing for Charitable Organizations.

1. Organization Information

Name of Organization:	NY Registration Number:
LITERACY, INC.	05-95-39

2. Government Grants

Name of Government Agency	Amount of Grant
1. NEW YORK CITY DISCRETIONARY FUNDING UNDER ONE DYCD	1. 1,106,700.
2. NYC CIVIC CORP	2. 18,511.
3. SBA PAYCHECK PROTECTION PROGRAM	3. 491,107.
4.	4.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.
11.	11.
12.	12.
13.	13.
14.	14.
15.	15.
Total Government Grants:	Total: 1,616,318.

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LITERACY, INC.

**Financial Statements
for year ended
June 30, 2021**

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Independent Auditor's Report

To the Board of Directors
Literacy, Inc.

We have audited the accompanying financial statements of Literacy, Inc. which comprise the statement of financial position as of June 30, 2021 and June 30, 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 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 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. 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 Literacy, Inc. as of June 30, 2021 and June 30, 2020 and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

November 30, 2021

Condon O'Meara McGinty & Donnelly LLP
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LITERACY, INC.

Statement of Financial Position

Assets

	June 30	
	2021	2020
Current assets		
Cash and cash equivalents	\$3,072,811	\$2,823,926
Investment in U.S. Treasury Bills, at fair value	599,893	249,922
Contributions and grants receivable, net	853,474	788,100
Accounts receivable, net	24,908	142,741
Prepaid expenses	<u>28,546</u>	<u>26,251</u>
Total current assets	4,579,632	4,030,940
Contributions and grants receivable, net of current portion	-	225,000
Property and equipment, at cost, net	1,072	1,787
Security deposit	<u>14,626</u>	<u>15,670</u>
Total assets	<u>\$4,595,330</u>	<u>\$4,273,397</u>

Liabilities and Net Assets

Current liabilities		
Accounts payable and accrued expenses	\$ 211,625	\$ 144,453
Agency funds	<u>73,216</u>	<u>176,847</u>
Total current liabilities	284,841	321,300
PPP loans payable	<u>500,000</u>	<u>491,107</u>
Total liabilities	<u>784,841</u>	<u>812,407</u>
Net assets		
Without donor restrictions	2,357,778	1,893,694
With donor restrictions	<u>1,452,711</u>	<u>1,567,296</u>
Total net assets	<u>3,810,489</u>	<u>3,460,990</u>
Total liabilities and net assets	<u>\$4,595,330</u>	<u>\$4,273,397</u>

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See notes to financial statements.

LITERACY, INC.

Statement of Activities

	Year Ended June 30		
	2021		2020
	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Foundation and corporate contributions	\$ 225,641	\$ 1,006,000	\$ 1,231,641
Individual contributions	285,039	-	285,039
Governmental grants	1,040,211	85,000	1,125,211
Government grant – PPP	491,107	-	491,107
Special event (net of direct costs			
of \$47,728 in 2021 and \$53,310 in 2020)	655,547	-	655,547
In-kind contributions	104,594	-	104,594
Other revenue	20,312	-	20,312
Net assets released from restrictions	1,205,585	(1,205,585)	-
Total support and revenue	4,028,036	(114,585)	3,913,451
Expenses			
Program services	2,841,415	-	2,841,415
Supporting activities			
Management and general	297,892	-	297,892
Fundraising	424,645	-	424,645
Total supporting activities	722,537	-	722,537
Total expenses	3,563,952	-	3,563,952
Increase (decrease) in net assets	464,084	(114,585)	349,499
Net assets, beginning of year	1,893,694	1,567,296	3,460,990
Net assets, end of year	\$ 2,357,778	\$ 1,452,711	\$ 3,810,489

See notes to financial statements.

LITERACY, INC.

Statement of Functional Expenses
Year Ended June 30, 2021
(with Summarized Comparative Financial Information
for the Year Ended June 30, 2020)

	<u>2021</u>			<u>2020</u>	
	<u>Supporting Activities</u>				
	<u>Management</u>				
	<u>Program</u>	<u>and</u>	<u>Fund-</u>	<u>Total</u>	<u>Total</u>
	<u>Services</u>	<u>General</u>	<u>Raising</u>		
Salaries	\$ 1,830,297	\$ 186,975	\$ 288,693	\$2,305,965	\$ 2,369,679
Payroll taxes and benefits	297,683	30,410	46,954	375,047	352,778
Consultants	35,892	15,577	46,145	97,614	60,646
Professional fees	211,422	33,222	5,111	249,755	200,051
Program expenses	239,400	-	-	239,400	196,306
Office supplies	1,962	200	309	2,471	17,778
Staff development & training	10,362	1,059	1,634	13,055	3,215
Occupancy	57,895	7,082	8,335	73,312	102,415
Telephone and internet	6,580	672	1,038	8,290	6,355
Printing and publications	19,223	1,964	3,032	24,219	16,191
Depreciation	568	57	90	715	1,025
Insurance	10,126	1,034	1,597	12,757	10,748
Payroll service	-	2,864	-	2,864	3,492
Miscellaneous	34,112	1,930	17,852	53,894	75,077
Special events	-	-	47,728	47,728	53,310
Sub-total of expenses by function without in-kind contributions	2,755,522	283,046	468,518	3,507,086	3,469,066
Less: direct costs of special events net with revenue on the statement of activities	-	-	47,728	47,728	53,310
Sub-total without in-kind contributions	2,755,522	283,046	420,790	3,459,358	3,415,756
In-kind contributions					
Contributed legal services	-	13,422	-	13,422	15,098
Contributed professional services	6,658	-	1,657	8,315	15,063
Contributed program event support	-	-	-	-	45,994
Contributed office space	23,938	1,424	2,198	27,560	-
Contributed books and materials	55,297	-	-	55,297	86,899
Sub-total in-kind contributions	85,893	14,846	3,855	104,594	163,054
Total	\$ 2,841,415	\$ 297,892	\$ 424,645	\$3,563,952	\$ 3,578,810

See notes to financial statements.

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LITERACY, INC.

Statement of Functional Expenses
Year Ended June 30, 2020

		<u>Supporting Activities</u>		
	<u>Program</u>	<u>Management</u>	<u>Fund-</u>	<u>Total</u>
	<u>Services</u>	<u>and</u>	<u>Raising</u>	
		<u>General</u>		
Salaries	\$ 1,896,098	\$ 123,561	\$ 350,020	\$ 2,369,679
Payroll taxes and benefits	282,275	18,395	52,108	352,778
Consultants	11,568	2,778	46,300	60,646
Professional fees	189,476	2,759	7,816	200,051
Program expenses	189,259	112	6,935	196,306
Office supplies	14,225	927	2,626	17,778
Staff development & training	2,572	168	475	3,215
Occupancy	81,947	5,340	15,128	102,415
Telephone and internet	5,085	331	939	6,355
Printing and publications	12,955	844	2,392	16,191
Depreciation	820	54	151	1,025
Insurance	8,600	560	1,588	10,748
Payroll service	2,794	182	516	3,492
Miscellaneous	37,853	1,444	35,780	75,077
Special events	-	-	53,310	53,310
Sub-total of expenses by function without in-kind contributions	2,735,527	157,455	576,084	3,469,066
Less: direct costs of special events net with revenue on the statement of activities	-	-	53,310	53,310
Sub-total without in-kind contributions	2,735,527	157,455	522,774	3,415,756
In-kind contributions				
Contributed legal services	12,081	787	2,230	15,098
Contributed professional services	12,053	785	2,225	15,063
Contributed program event support	45,994	-	-	45,994
Contributed books and materials	86,899	-	-	86,899
Sub-total in-kind contributions	157,027	1,572	4,455	163,054
Total	\$ 2,892,554	\$ 159,027	\$ 527,229	\$ 3,578,810

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See notes to financial statements.

LITERACY, INC.

Statement of Cash Flows

	Year Ended June 30	
	2021	2020
Cash flows from operating activities		
Increase in net assets	\$ 349,499	\$ 543,909
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	715	1,025
Forgiveness of PPP loan payable	(491,107)	-
Donated stock received	(59,742)	(91,699)
Sale of donated stock	59,742	91,699
(Increase) decrease in assets		
Contributions and grants receivable, net	159,626	250,899
Accounts receivable, net	117,833	(96,821)
Prepaid expenses	(2,295)	18,326
Security deposit	1,044	(1,820)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	67,172	(15,454)
Agency funds	(103,631)	95,347
Net cash provided by operating activities	<u>98,856</u>	<u>795,411</u>
Cash flows from investing activities		
Proceeds from sales and maturities of investments	1,367,840	630,390
Purchases of investments	(1,717,811)	(880,312)
Net cash (used in) investing activities	<u>(349,971)</u>	<u>(249,922)</u>
Cash flows provided by financing activities		
Proceeds from PPP loans payable	<u>500,000</u>	<u>491,107</u>
Net increase in cash and cash equivalents	248,885	1,036,596
Cash and cash equivalents, beginning of year	<u>2,823,926</u>	<u>1,787,330</u>
Cash and cash equivalents, end of year	<u>\$3,072,811</u>	<u>\$2,823,926</u>

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See notes to financial statements.

LITERACY, INC.**Notes to Financial Statements
June 30, 2021****Note 1 – Nature of organization**

Literacy, Inc. (“LINC”) harnesses the power that exists in every community to make literacy a value and right of all children. Our children’s educational success is the path out of poverty and the key to achievement. LINC’s mission is to engage families and community members to support young readers in high need neighborhoods.

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

The following is a summary of LINC’s net assets:

- Without donor restrictions

Net assets without donor restrictions consist of amounts that can be spent at the discretion of LINC.

- With donor restrictions

- Temporary donor restrictions

Net assets with temporary donor restrictions consist of contributions that are restricted by the donor for a specific project or purpose or relate to future periods.

- Perpetual donor restrictions

Net assets with perpetual donor restrictions are subject to donor imposed restrictions requiring that they be maintained in perpetuity.

Contributions

LINC records contributions as revenue without donor restrictions unless the donor stipulates a time or limits the use of the donated assets.

Contributions received with donor stipulations that limit the use of the donated assets are reported as support with perpetual or temporary donor restrictions. When a donor stipulation regarding a contribution with temporary donor restriction expires – that is, when a stipulated time restriction ends or the purpose for the restriction is accomplished – net assets with temporary donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of investments are recorded at fair value on the date of the gift.

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LITERACY, INC.**Notes to Financial Statements (continued)**
June 30, 2021**Note 2 – Summary of significant accounting policies (continued)**Cash equivalents

LINC considers highly liquid investments with original maturities of 90 days or less to be cash equivalents. Included in cash equivalents are money market funds.

Investments

Investments are recorded at fair value based on publicly quoted market prices.

Fair value measurements

Fair value measurements establish a hierarchy that prioritizes the inputs used to measure fair value into three levels. LINC's investments are measured using Level 1 inputs, which are defined as quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date.

Allowance for doubtful accounts

LINC has an allowance for doubtful accounts of \$5,000, respectively, as of June 30, 2021 and June 30, 2020, for grants, contributions and accounts receivable that may not be collectible. Such estimates are based on management's experience, the aging of the receivables, subsequent receipts and the current economic conditions.

Property and equipment

Acquisitions of property and equipment in excess of \$1,000 and with an estimated useful life of longer than a year are capitalized and recorded at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years.

Agency funds

LINC received funds from other organizations that require LINC to act as an agent and to spend the funds in accordance with the other organization's requirements. These funds are recorded as a liability on the statement of financial position until the funds are spent.

Functional expenses

The cost of providing the various programs and other activities has been summarized on a functional basis. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Natural expenses attributable to more than one functional expense category are allocated using a cost allocation techniques primarily consisting of salary and wages and time and effort reporting.

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LITERACY, INC.**Notes to Financial Statements (continued)**
June 30, 2021**Note 2 – Summary of significant accounting policies (continued)**In-kind contributions

During the 2021 and 2020 fiscal years, LINC received legal services, professional services, program event support and contributions of books and materials. These goods and services were an integral part of the activities of LINC and would have had to be purchased by LINC if they had not been donated. The goods and services, totaling \$104,594 in 2021 and \$163,054 in 2020, were recorded at the fair value based on what it would have cost LINC to purchase them independently and have been reflected as support and expenses in the statement of activities.

Concentrations of credit risk

LINC's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents, investments and contributions, grants and accounts receivable. LINC places its cash and cash equivalents with what it believes to be quality financial institutions. LINC invests in U.S. Treasury Bills. LINC's contributions, grants and accounts receivable consist principally of amounts due from foundations, corporations and government sources. LINC believes no significant concentrations of credit risk exist with respect to its cash, cash equivalents, investments and contributions, grants and accounts receivable.

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.

Risks and uncertainties

On March 13, 2020, a national emergency was declared due to extraordinary circumstances resulting from the coronavirus. The economic impact of the coronavirus on LINC's future financial operations is not readily determinable.

Subsequent events

LINC has evaluated events and transactions for potential recognition or disclosure through November 30, 2021, which is the date the financial statements were available to be issued.

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LITERACY, INC.

Notes to Financial Statements (continued)
June 30, 2021

Note 3 – Liquidity and availability of financial assets

LINC's working capital and cash flows have seasonal variations during the year attributable to cash receipts from contributions, government grants, special events and other items.

The following is a summary of LINC's financial assets as of June 30, 2021 and June 30, 2020 that are available for general use within one year of the statement of financial position date:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 3,072,811	\$ 2,823,926
Investment in U.S. Treasury Bills, at fair value	599,893	249,922
Contributions and grants receivable expected to be collected in one year, net	853,474	788,100
Accounts receivable, net	<u>24,908</u>	<u>142,741</u>
Total	<u>\$ 4,551,086</u>	<u>\$ 4,004,689</u>

In addition, LINC has a \$200,000 line of credit (see note 9) that can be utilized during the fiscal year if necessary.

Note 4 – Contributions, grants and accounts receivable

Contributions, grants and accounts receivable consist of the following as of June 30, 2021 and June 30, 2020 and are due as follows:

	<u>2021</u>	<u>2020</u>
Foundations and corporations	\$ 311,523	\$ 736,050
City of New York	434,176	186,700
State of New York	65,500	65,500
Event	40,600	29,850
Fees for services	20,000	89,000
Individuals and other receivables	<u>11,583</u>	<u>53,741</u>
Sub-total	<u>883,382</u>	<u>1,160,841</u>
Due within one year	883,382	935,841
Due within two years	<u>-</u>	<u>225,000</u>
Sub-total	<u>883,382</u>	<u>1,160,841</u>
Less: allowance for doubtful accounts	<u>5,000</u>	<u>5,000</u>
Total	<u>\$ 878,382</u>	<u>\$1,155,841</u>

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LITERACY, INC.

Notes to Financial Statements (continued)
June 30, 2021**Note 5 – Property and equipment, at cost, net**

A summary of property and equipment and related accumulated depreciation as of June 30, 2021 and June 30, 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Office furniture and equipment	\$ 13,631	\$ 13,631
Program equipment	<u>10,750</u>	<u>10,750</u>
Sub-total	24,381	24,381
Less: accumulated depreciation	<u>23,309</u>	<u>22,594</u>
Net property and equipment	<u>\$ 1,072</u>	<u>\$ 1,787</u>

Note 6 – Paycheck Protection Program loans payable2020 Paycheck protection program loan

During the 2020 fiscal year, LINC applied for and received \$491,107 under the Paycheck Protection Program (“PPP”) which is a business loan program established under the Coronavirus Aid, Relief, and Economic Security Act. LINC had elected to record the proceeds as a liability until the loan was, in part or wholly, forgiven and LINC was legally released. LINC has spent all of the proceeds in accordance with the terms of the PPP loan program and this loan was forgiven in its entirety during May 2021.

2021 Paycheck protection program loan

During the 2021 fiscal year, LINC applied for and received a second draw loan under the PPP totaling \$500,000 at substantially the same terms as the first draw under the PPP. LINC has elected to record the proceeds as a liability until the loan is, in part or wholly, forgiven and LINC is legally released. LINC believes it has spent all of the proceeds in accordance with the terms of the PPP loan program and expects to have the loan forgiven in its entirety during the 2022 fiscal year. Any amounts not forgiven are subject to interest at a fixed rate of 1% for a five year-term.

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LITERACY, INC.

Notes to Financial Statements (continued)
June 30, 2021**Note 7 – Net assets with temporary donor restrictions**

The following is a summary of the activity of the net assets with temporary donor restrictions for the years ended June 30, 2021 and June 30, 2020:

<u>Temporary Program/Purpose</u>	<u>Balance, June 30, 2020</u>	<u>Contributions and Grants</u>	<u>Net Assets Released from Restrictions</u>	<u>Balance, June 30, 2021</u>
Mimi Levin Lieber Award	\$ 6,746	\$ -	\$ -	\$ 6,746
Literacy support/timing	<u>1,560,550</u>	<u>1,091,000</u>	<u>(1,205,585)</u>	<u>1,445,965</u>
Total	<u>\$ 1,567,296</u>	<u>\$1,091,000</u>	<u>\$(1,205,585)</u>	<u>\$ 1,452,711</u>

<u>Temporary Program/Purpose</u>	<u>Balance, June 30, 2019</u>	<u>Contributions and Grants</u>	<u>Net Assets Released from Restrictions</u>	<u>Balance, June 30, 2020</u>
Mimi Levin Lieber Award	\$ 7,496	\$ -	\$ (750)	\$ 6,746
Literacy support/timing	<u>1,301,066</u>	<u>1,400,550</u>	<u>(1,141,066)</u>	<u>1,560,550</u>
Total	<u>\$ 1,308,562</u>	<u>\$1,400,550</u>	<u>\$(1,141,816)</u>	<u>\$ 1,567,296</u>

Note 8 – Mimi Levin Lieber Award

In connection with its 10th Anniversary Gala, LINC established and solicited donations for the Mimi Levin Lieber Award fund. Additional contributions to the fund were made in subsequent years. The contributions are to be used to provide cash awards to community partners in recognition of their efforts in support of early literacy. The awards are named in honor of LINC's Founder, Mimi Levin Lieber. The contributions are recorded as net assets with temporary donor restrictions, and the interest earned on such funds is without donor restrictions.

Note 9 – Line of credit

LINC has available a \$200,000 revolving line of credit which is up for renewal annually. Any borrowings on the line of credit require interest at the bank's prime rate plus 2.0%. As of June 30, 2021 the interest rate was 5.25%. The line of credit is secured by certain of LINC's personal property, as outlined in the agreement. As of June 30, 2021, there were no outstanding borrowings.

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LITERACY, INC.

Notes to Financial Statements (continued)
June 30, 2021

Note 10 – Office lease agreements

LINC leases office space under two lease agreements. In addition to the monthly rent payments totaling \$6,010, LINC is also charged for electricity, storage and use of a conference room. In connection with the lease agreements, LINC has paid security deposits totaling \$14,626. Occupancy expense for the years ended June 30, 2021 and June 30, 2020 was \$100,872 and \$102,415, respectively. The leases expire at various dates through September 30, 2023.

The following is a summary of the future rent payments due as of June 30, 2021:

<u>Fiscal year</u>	<u>Amount</u>
2022	\$ 72,120
2023	72,120
2024	18,030
Total	<u>\$ 162,270</u>

Note 11 – Retirement plan

LINC maintains a tax-deferred annuity plan (the “Plan”) for all eligible employees. Employees can make voluntary contributions to the Plan in accordance with Internal Revenue Code regulations. LINC makes discretionary contributions to the Plan up to 2% of employee compensation. The Plan expense for the years ended June 30, 2021 and June 30, 2020 was \$40,431 and \$38,626, respectively.

Note 12 – Tax status

LINC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, LINC has been determined by the Internal Revenue Service to be a publicly supported organization and not a private foundation within the meaning of Section 509(a)(1) of the Code and qualifies for the maximum charitable deduction for donors.

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