

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION
FOR JUNE 30, 2021)

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF FUNCTIONAL EXPENSES	5
STATEMENT OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7 - 14

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Fund for the School District of Philadelphia
Philadelphia, Pennsylvania

Opinion

We have audited the accompanying financial statements of The Fund for the School District of Philadelphia (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Fund for the School District of Philadelphia as of June 30, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

To the Board of Directors
The Fund for the School District of Philadelphia
(Continued)

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Report on Summarized Comparative Information

We have previously audited The Fund for the School District of Philadelphia's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 20, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

 Morrison Cogen LLP

December 19, 2022

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022
(WITH FINANCIAL INFORMATION
FOR JUNE 30, 2021)

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash (includes amounts restricted for specific purposes of \$7,401,694 at June 30, 2022)	\$ 8,138,508	\$ 8,311,486
Grants and contributions receivable	434,975	375,758
Interest receivable	3,989	-
Prepaid expenses	27,028	111,554
	8,604,500	8,798,798
NON-CURRENT ASSETS		
Marketable securities	535,062	671,456
TOTAL ASSETS	\$ 9,139,562	\$ 9,470,254
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 341,328	\$ 157,908
NET ASSETS		
NET ASSETS WITHOUT DONOR RESTRICTIONS	478,530	632,044
NET ASSETS WITH DONOR RESTRICTIONS	8,319,704	8,680,302
TOTAL NET ASSETS	8,798,234	9,312,346
TOTAL LIABILITIES AND NET ASSETS	\$ 9,139,562	\$ 9,470,254

The accompanying notes are an integral part of these financial statements.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021)

	2022			2021 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
SUPPORT, REVENUE, AND GAINS (LOSSES)				
Contributions and grants				
Corporations	\$ 84,252	\$ 399,635	\$ 483,887	\$ 855,202
Contracts	200,000	-	200,000	200,000
Foundations	368,459	2,216,178	2,584,637	4,749,173
Government grants	35,875	241,100	276,975	-
Individuals	312,864	446,815	759,679	445,549
In-kind donations	-	955,516	955,516	-
Special event revenue	-	-	-	51,505
Less: costs of direct benefits to donors	-	-	-	(34,083)
Forgiveness of debt	-	-	-	83,471
Net realized and unrealized gain (loss) on marketable securities	-	(70,047)	(70,047)	116,729
Interest and dividends	10,134	-	10,134	11,280
	<u>1,011,584</u>	<u>4,189,197</u>	<u>5,200,781</u>	<u>6,478,826</u>
NET ASSETS RELEASED FROM RESTRICTIONS				
Satisfaction of program restrictions	<u>4,549,795</u>	<u>(4,549,795)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT, REVENUE, AND GAINS (LOSSES)	<u>5,561,379</u>	<u>(360,598)</u>	<u>5,200,781</u>	<u>6,478,826</u>
EXPENSES				
Program services	4,816,034	-	4,816,034	3,529,884
Supporting services				
General and administrative	408,640	-	408,640	380,869
Fundraising	490,219	-	490,219	703,703
TOTAL EXPENSES	<u>5,714,893</u>	<u>-</u>	<u>5,714,893</u>	<u>4,614,456</u>
CHANGE IN NET ASSETS	(153,514)	(360,598)	(514,112)	1,864,370
NET ASSETS - BEGINNING OF YEAR	<u>632,044</u>	<u>8,680,302</u>	<u>9,312,346</u>	<u>7,447,976</u>
NET ASSETS - END OF YEAR	<u>\$ 478,530</u>	<u>\$ 8,319,704</u>	<u>\$ 8,798,234</u>	<u>\$ 9,312,346</u>

The accompanying notes are an integral part of these financial statements.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR
THE YEAR ENDED JUNE 30, 2021)

	2022				2021 Total
	Program Services	Supporting Services		Total	
		General and Administrative	Fundraising		
Personnel					
Salaries	\$ 211,631	\$ 90,041	\$ 264,800	\$ 566,472	\$ 470,722
Workers compensation	991	422	1,240	2,653	3,242
Benefits	37,837	16,098	47,343	101,278	97,492
Payroll taxes	15,780	6,714	19,744	42,238	34,834
	<u>266,239</u>	<u>113,275</u>	<u>333,127</u>	<u>712,641</u>	<u>606,290</u>
Grants made	4,549,795	-	-	4,549,795	3,445,320
Board expense	-	9,789	-	9,789	315
Consultants - marketing	-	72,437	130,000	202,437	373,617
Dues and subscriptions	-	30,199	15,765	45,964	25,346
Insurance	-	9,912	-	9,912	9,357
Marketing	-	2,227	685	2,912	14,366
Office expense	-	22,828	-	22,828	18,517
Professional fees	-	90,807	-	90,807	83,833
Professional development	-	10,608	-	10,608	-
Rent and occupancy	-	42,664	10,642	53,306	37,200
Travel/mileage/conference	-	3,894	-	3,894	295
	<u>4,549,795</u>	<u>208,640</u>	<u>156,427</u>	<u>4,914,862</u>	<u>3,886,830</u>
TOTAL EXPENSES	<u><u>\$ 4,816,034</u></u>	<u><u>\$ 408,640</u></u>	<u><u>\$ 490,219</u></u>	<u><u>\$ 5,714,893</u></u>	<u><u>\$ 4,614,456</u></u>

The accompanying notes are an integral part of these financial statements.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022
(WITH FINANCIAL INFORMATION FOR
THE YEAR ENDED JUNE 30, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (514,112)	\$ 1,864,370
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Net realized and unrealized (gain) loss on marketable securities	70,047	(116,729)
Forgiveness of debt	-	(83,471)
(Increase) decrease in assets		
Grants and contributions receivable	(59,217)	(103,884)
Interest receivable	(3,989)	1,194
Prepaid expenses	84,526	(97,730)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	183,420	42,427
Net cash provided by (used in) operating activities	(239,325)	1,506,177
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	66,347	-
NET INCREASE (DECREASE) IN CASH	(172,978)	1,506,177
CASH AND RESTRICTED CASH - BEGINNING OF YEAR	8,311,486	6,805,309
CASH AND RESTRICTED CASH - END OF YEAR	\$ 8,138,508	\$ 8,311,486

The accompanying notes are an integral part of these financial statements.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Fund for the School District of Philadelphia (“the Fund”), a Pennsylvania nonprofit organization under the provisions of Section 501(c)(3) of the Internal Revenue Code, was organized to review and, upon approval, monitor grants generated by the School District of Philadelphia and to generate grants and contributions for the benefit of the School District of Philadelphia and its schools. The Fund works closely and collaboratively with the School District of Philadelphia. The Superintendent of the School District of Philadelphia appoints up to five members of the Fund’s board of directors and the Fund’s President and CEO serves on the Superintendent’s executive cabinet.

The Fund’s support is primarily from contributions. The Fund relies on the receipt of grants, contracts and administrative fees earned for program activities to provide funding for its operations. The Fund’s administrative fee is 10% of the contributions received. For significant contributions a lower fee may be negotiated. All grants managed by the Fund for schools or donations made through PhillyFUNDamentals are assessed at a 5% administrative fee. PhillyFUNDamentals is a website developed by the Fund for the School District of Philadelphia that allows donors to support a specific school.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ASC 958, the Fund reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions received requiring perpetual investment for use by the Fund are classified as net assets with donor restrictions. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

All amounts included as contributions receivable are expected to be fully collectible.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk Involving Cash

The Fund maintains its cash at one financial institution. The account at this institution is insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the balance may exceed federally insured limits. Management believes the credit risk related to this balance is minimal.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants and Contributions Receivable

Grants and contributions receivable represent payments due in future periods for awards recorded as support and revenue. The Fund considers grants and contributions receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If accounts become uncollectible, they will be charged to operations when that determination is made.

Marketable Securities

The Fund carries investments in marketable securities at fair value. Under FASB ASC 820-10, *Fair Value Measurement*, fair value is defined as the price that the Fund would receive to sell an investment to an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market. FASB ASC 820-10 establishes a three-tier hierarchy based on quoted prices in active markets (Level 1), other observable inputs (Level 2), or unobservable inputs (Level 3).

Realized and unrealized gains and losses on investments (determined based on original cost) and investment income are included in the statement of activities.

Investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

In-kind Donations

The Fund recognizes contributed services which create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the year ended June 30, 2022, there were no contributed services. Also, while a substantial number of volunteers contributed significant amounts of their time to assist in the Fund's program services, this has not been valued.

Contributed goods are reflected as revenue and expense in the accompanying financial statements at their estimated values at the date of receipt. For the year ended June 30, 2022, \$955,516 of contributed goods consisting primarily of COVID-19 tests has been reflected in the financial statements. Other contributed goods include food donations from FCM Hospitality for 13 high schools and their culinary programs and supplies (pencils, composition books, and crayons) to five elementary schools as part of a promotional tour for ABC's sitcom Abbott Elementary.

Spending Policy

The Fund follows a spending rate for the permanently restricted endowment funds that is mandated by the donor. The policy provides for a distribution of funds determined at the end of the Fund's fiscal year that are in excess of a set threshold.

Functional Expenses

The costs of providing the program and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between program and supporting services based on direct identification when possible, and allocation if a single expenditure benefits more than one program or function. Expenditures that require allocation are primarily payroll and benefits, which are allocated based on estimates of time and effort.

Tax Status

The Fund is incorporated in the Commonwealth of Pennsylvania and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Fund is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Fund's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Recently Issued Accounting Pronouncements

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958), Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The amendments in this Update require not-for-profit entities to present contributed nonfinancial assets as a separate line item in the statement of activities and to disaggregate the amount of contributed nonfinancial assets received by category in the footnotes and also provide certain enhanced disclosures. The amendments in this Update should be applied on a retrospective basis and are effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. The Fund adopted the Update effective July 1, 2021 and the adoption did not have a material impact on its financial statements.

Subsequent Events

FASB ASC 855-10 establishes general standards of accounting and disclosure of events that occur after the statement of financial position date but before the date the financial statements are available to be issued. Subsequent events have been evaluated through December 19, 2022, the date that the financial statements were available to be issued.

NOTE 2 – FAIR VALUE MEASUREMENTS – MARKETABLE SECURITIES

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Fund has the ability to access.

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – FAIR VALUE MEASUREMENTS – MARKETABLE SECURITIES (continued)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022.

Bond fund, stock index fund, & real estate fund: Mutual funds valued at the daily closing price as reported by the Fund.

The following table sets forth by level, within the fair value hierarchy, the Fund's assets at fair value as of June 30, 2022:

	Assets at Fair Value as of June 30, 2022			
	Level 1	Level 2	Level 3	Total
Bond fund	\$ 244,785	\$ -	\$ -	\$ 244,785
Stock index fund	285,402	-	-	285,402
Real estate fund	4,875	-	-	4,875
Total assets at fair value	\$ 535,062	\$ -	\$ -	\$ 535,062

NOTE 3 – NET ASSETS WITH DONOR RESTRICTIONS

The Fund has net assets subject to donor-imposed stipulations that may or will be met either by actions of the Fund and/or the passage of time.

The Fund also has net assets subject to donor-imposed stipulations that must be maintained permanently by the Fund, which consist of the GSK Endowment, from which the income is to be used for the purchase of science laboratory equipment for use by the Science Leadership Academy Schools.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets with donor restrictions at June 30, 2022 are as follows:

Net assets with temporary donor restrictions	
Adopt A School	\$ 28,317
Aspen Challenge	32,586
Athletics	51,072
Bimbo Bakeries - Summer Culinary Program	20,413
Comcast Cares Day	37,750
COVID-19 Technology Funding	350,911
Crisis Emergency Fund	13,091
Early Literacy Programs	139,215
Education Pod and Resource Center	46,647
Family Support Fund	121,880
G.W. Carver High School	27,651
Give A Band	7,684
Green Futures	117,645
GSK- Increasing Equity in Philadelphia STEM Instruction	340,175
GSK- STEM Lending Library & STEM Mini Grants	7,698
Hess Foundation – Playgrounds	525,000
Jerome Zaslow Memorial Scholarship	20,750
Kind Mastbaum Fund	18,000
Leveling the Playing Field	107,338
Live & Learn Summer Learning	8,806
Meet Me at the Museum	2,356
Mellon All City Music	1,712
Mock Trial Project	18,057
Non-Profit Leadership Development	8,210
Other	185,588
Our Class Our Future	4,001
Philly FUNDamentals	935,216
Powel Project	47,500
Principal Awards	364,685
Read to Succeed	156,896
School Music Program & Instrument Repair	74,102
School Supply Fund	426,132
Share Food Program - Meaningful Meals	6,284
Specific School Program	170,053
Student Achievers & College Signing Day	44,815
Teach & Reach	11,904
Teacher Development	50,593
Technology Development	15,000
The Giant Company Fund	368,384
Think AED	21,631
Tobias Harris Fund	209,961
Wells Fargo - Day of Caring Program	23,974
William Penn - Early Lit Mini-Grant	101,331
William Penn - Model Schools Grant	2,858
William Penn - Playful Learning Grant	1,970,429
William Penn - Stormwater Grant	540,341
	<u>7,784,642</u>
Net assets with permanent donor restrictions	<u>535,062</u>
	<u><u>\$ 8,319,704</u></u>

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 – RELATED PARTY

The Fund leases space which includes office equipment, furniture and use of common area from an affiliate of certain of the Fund’s board members. Amount paid to this affiliate for the year ended June 30, 2022 was \$42,664.

NOTE 5 – GRANTS MADE

For the year ended June 30, 2022, grants made represents expenses paid to support various programs at the District and school levels. Some of the largest projects by expenses were the Early Literacy Read to Succeed Program, the Glaxo Smith Kline STEM Education initiatives and the Lindback Teacher and Principal Awards. These programs included issuing mini grants to schools, providing teacher stipends to further equity STEM instruction with professional development and the annual disbursement of the Lindback Teacher and Principal Awards. Other initiatives managed by The Fund include playground installations and the green storm water management projects funded by the William Penn Foundation. The Hess Foundation made a large investment to The Fund to complete two additional playgrounds. Overall, the specific expenses include, but are not limited to, books, supplies, technology, equipment and fees paid to consultants and contractors to support the various programs.

NOTE 6 – EMPLOYEE RETIREMENT PLAN

The Fund has a 401(k) plan for its employees. All eligible employees are covered by the plan. The Fund made annual contributions of \$20,176 for the year ended June 30, 2022.

NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

Cash	\$ 8,138,508
Grants and contributions receivable	434,975
Interest receivable	<u>3,989</u>
	8,577,472
Less financial assets unavailable for general expenditures within one year due to:	
Restrictions by donor for time or purpose	<u>(7,784,642)</u>
	<u><u>\$ 792,830</u></u>

As shown above the Fund has approximately \$793,000 of assets available within one year of the statement of financial position date to meet cash needs for general expenditures. The Fund has a goal to maintain financial assets to be liquid with minimal market risk. The Fund has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Fund structures its endowment assets to ensure it has sufficient liquidity to meet its annual spending policy. See Note 1 for the Fund’s endowment spending policy.