

# Community Foundation of Utah and Community Trust of Utah

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**CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT**  
*For the Years Ended December 31, 2019 and 2018*



**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

**C O N T E N T S**

|   | <b><u>Page</u></b> |
|---|--------------------|
| Independent Auditor's Report.....                   | 2 - 3              |
| Consolidated Financial Statements:                  |                    |
| Consolidated Statements of Financial Position ..... | 4                  |
| Consolidated Statements of Activities .....         | 5                  |
| Consolidated Statement of Functional Expenses ..... | 6 - 7              |
| Consolidated Statements of Cash Flows.....          | 8                  |
| Notes to the Consolidated Financial Statements..... | 9 - 24             |
| Supplemental Schedules .....                        | 26 - 29            |



## Independent Auditor's Report

To the Board of Directors  
**Community Foundation of Utah and Community Trust of Utah**

We have audited the accompanying consolidated financial statements of the **Community Foundation of Utah and the Community Trust of Utah**, which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the **Community Foundation of Utah and the Community Trust of Utah** as of December 31, 2019 and 2018, and the changes in their net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Report on Supplemental Schedules***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2019 and 2018 supplemental schedules on pages 26 through 29 are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements. These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements.

*Larsen & Company P.C.*

Salt Lake City, Utah  
November 4, 2020

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Consolidated Statements of Financial Position  
As of December 31, 2019 and 2018

| <u>ASSETS</u>                                      | <u>2019</u>          | <u>2018</u>          |
|--|----------------------|----------------------|
| <b>Current assets:</b>                             |                      |                      |
| Cash and cash equivalents                          | \$ 1,235,785         | \$ 940,665           |
| Accounts receivable, net                           | 770,338              | -                    |
| Accrued interest on notes receivable               | 75,750               | 92,527               |
| Promises to give, current portion                  | 200,000              | -                    |
| Short-term investments                             | 787,254              | -                    |
| Notes receivable, current portion                  | 492,855              | 734,450              |
| <b>Total current assets</b>                        | <b>3,561,982</b>     | <b>1,767,642</b>     |
| Investments  | 46,989,971           | 36,667,057           |
| Promises to give, less current portion             | 700,000              | -                    |
| Financial assets, at cost                          | 20,052,939           | 4,096,907            |
| Land   | 3,100,000            | 3,100,000            |
| Notes receivable, net of current portion           | 9,177,461            | 8,776,851            |
| Other assets                                       | 70,000               | 695,000              |
| Interest in variable life policy                   | 285,855              | 242,375              |
| <b>Total assets</b>                                | <b>\$ 83,938,208</b> | <b>\$ 55,345,832</b> |
| <b><u>LIABILITIES AND NET ASSETS</u></b>           |                      |                      |
| <b>Current liabilities:</b>                        |                      |                      |
| Accounts payable and accrued liabilities           | \$ 19,727            | \$ 21,037            |
| Income taxes payable                               | -                    | 107,388              |
| <b>Total current liabilities</b>                   | <b>19,727</b>        | <b>128,425</b>       |
| Agency funds                                       | 542,333              | 244,000              |
| <b>Total liabilities</b>                           | <b>562,060</b>       | <b>372,425</b>       |
| <b>Net assets:</b>                                 |                      |                      |
| <b>Without donor restrictions:</b>                 |                      |                      |
| Board designated net assets                        | 77,316,609           | 50,828,980           |
| Board designated endowment                         | 4,270,351            | 3,379,822            |
| Undesignated net assets                            | 819,188              | 694,605              |
| <b>Total net assets without donor restrictions</b> | <b>82,406,148</b>    | <b>54,903,407</b>    |
| <b>With donor restrictions:</b>                    |                      |                      |
| Time restrictions                                  | 900,000              | -                    |
| Purpose restrictions                               | 70,000               | 70,000               |
| <b>Total net assets with donor restrictions</b>    | <b>970,000</b>       | <b>70,000</b>        |
| <b>Total net assets</b>                            | <b>83,376,148</b>    | <b>54,973,407</b>    |
| <b>Total liabilities and net assets</b>            | <b>\$ 83,938,208</b> | <b>\$ 55,345,832</b> |

The accompanying notes to the consolidated financial statements are an integral part of these statements

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**  
Consolidated Statements of Activities  
For the Years Ended December 31, 2019 and 2018

|   | 2019                 | 2018          |
|---|----------------------|---------------|
| <b>Changes in net assets without donor restrictions:</b>    |                      |               |
| <b>Support, revenues and losses:</b>                        |                      |               |
| Contributions   | \$ 14,674,184        | \$ 9,222,141  |
| Contributions of financial assets                           | 17,973,316           | 2,000,000     |
| Contribution of land  | -                    | 3,100,000     |
| Contribution of other assets                                | -                    | 695,000       |
| Contribution of notes receivable                            | 357,194              | 450,000       |
| Return on investments, net of fees                          | 6,231,225            | (1,508,801)   |
| Impairment loss   | (88,847)             | (50,000)      |
| Other income  | 59,493               | 3,655         |
|   | <b>39,206,565</b>    | 13,911,995    |
| <b>Release of restrictions</b>                              | <b>70,000</b>        | 70,000        |
| Total support, revenues, losses and release of restrictions | <b>39,276,565</b>    | 13,981,995    |
| <b>Expenses:</b>  |                      |               |
| <b>Program services:</b>                                    |                      |               |
| Community grants awarded                                    | 10,353,165           | 10,485,734    |
| Other program services                                      | 413,225              | 336,897       |
|   | <b>10,766,390</b>    | 10,822,631    |
| <b>Supporting services:</b>                                 |                      |               |
| Management and general                                      | 289,729              | 248,016       |
| Fundraising and development                                 | 84,743               | 66,956        |
|   | <b>374,472</b>       | 314,972       |
| Total functional expenses                                   | <b>11,140,862</b>    | 11,137,603    |
| <b>Unrelated business income tax</b>                        | <b>632,962</b>       | 150,127       |
| Total expenses  | <b>11,773,824</b>    | 11,287,730    |
| Increase in net assets without donor restrictions           | <b>27,502,741</b>    | 2,694,265     |
| <b>Changes in net assets with donor restrictions:</b>       |                      |               |
| Contributions   | 970,000              | 70,000        |
| Release of restrictions                                     | (70,000)             | (70,000)      |
|   | <b>900,000</b>       | -             |
| <b>Change in net assets</b>                                 | <b>28,402,741</b>    | 2,694,265     |
| <b>Net assets, beginning of year</b>                        | <b>54,973,407</b>    | 52,279,142    |
| <b>Net assets, end of year</b>                              | <b>\$ 83,376,148</b> | \$ 54,973,407 |

The accompanying notes to the consolidated financial statements are an integral part of these statements

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**  
Consolidated Statement of Functional Expenses  
For the Year Ended December 31, 2019

|  | Program services         |                        | Supporting services    |                             | Total                |
|--|--------------------------|------------------------|------------------------|-----------------------------|----------------------|
|  | Community grants awarded | Other program services | Management and general | Fundraising and development | 2019                 |
| Compensation of current officers, directors, trustees, and key employees | \$ -                     | \$ 58,000              | \$ 32,150              | \$ 29,000                   | \$ 119,150           |
| Other salaries and wages   | -                        | 103,146                | 96,108                 | 31,462                      | 230,716              |
| Employer 403(b) contributions  | -                        | -                      | 7,854                  | -                           | 7,854                |
| Other employee benefits  | -                        | -                      | 16,799                 | -                           | 16,799               |
| Payroll taxes  | -                        | 17,838                 | 9,571                  | 4,625                       | 32,034               |
| <b>Total salaries and related expenses</b>                               | -                        | 178,984                | 162,482                | 65,087                      | 406,553              |
| Grants   | 10,353,165               | -                      | -                      | -                           | 10,353,165           |
| Legal  | -                        | 37,092                 | 11,816                 | 2,315                       | 51,223               |
| Accounting   | -                        | 1,892                  | 38,553                 | 105                         | 40,550               |
| Other  | -                        | 61,399                 | 58,862                 | 7,675                       | 127,936              |
| Marketing and promotion  | -                        | 3,497                  | 437                    | 437                         | 4,371                |
| Office expenses  | -                        | 10,264                 | 2,462                  | 1,414                       | 14,140               |
| Information technology   | -                        | 18,270                 | 2,284                  | 2,284                       | 22,838               |
| Occupancy  | -                        | 27,492                 | 3,437                  | 3,437                       | 34,366               |
| Travel   | -                        | 6,825                  | 853                    | 853                         | 8,531                |
| Conferences, conventions, and meetings                                   | -                        | 51,031                 | -                      | -                           | 51,031               |
| Insurance  | -                        | 3,470                  | 434                    | 434                         | 4,338                |
| Cultivation program  | -                        | 3,382                  | -                      | -                           | 3,382                |
| Membership dues  | -                        | 3,383                  | 423                    | 423                         | 4,229                |
| Donor relations  | -                        | 4,015                  | -                      | -                           | 4,015                |
| All other expenses   | -                        | 2,229                  | 7,686                  | 279                         | 10,194               |
| <b>Total functional expenses</b>   | <b>\$ 10,353,165</b>     | <b>\$ 413,225</b>      | <b>\$ 289,729</b>      | <b>\$ 84,743</b>            | <b>\$ 11,140,862</b> |

The accompanying notes to the consolidated financial statements are an integral part of these statements

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**  
Consolidated Statement of Functional Expenses  
For the Year Ended December 31, 2018

|  | Program services         |                        | Supporting services    |                             | Total               |
|--|--------------------------|------------------------|------------------------|-----------------------------|---------------------|
|  | Community grants awarded | Other program services | Management and general | Fundraising and development | 2018                |
| Compensation of current officers, directors, trustees, and key employees | \$ -                     | \$ 58,941              | \$ 36,048              | \$ 29,470                   | \$ 124,459          |
| Other salaries and wages   | -                        | 87,235                 | 73,843                 | 20,349                      | 181,427             |
| Employer 403(b) contributions  | -                        | -                      | 6,457                  | -                           | 6,457               |
| Other employee benefits  | -                        | -                      | 8,041                  | -                           | 8,041               |
| Payroll taxes  | -                        | 14,932                 | 7,903                  | 3,811                       | 26,646              |
| <b>Total salaries and related expenses</b>                               | -                        | 161,108                | 132,292                | 53,630                      | 347,030             |
| Grants   | 10,485,734               | -                      | -                      | -                           | 10,485,734          |
| Legal  | -                        | 19,099                 | 29,330                 | 2,387                       | 50,816              |
| Accounting   | -                        | -                      | 40,664                 | -                           | 40,664              |
| Other  | -                        | 21,489                 | 36,524                 | 2,686                       | 60,699              |
| Marketing and promotion  | -                        | 1,567                  | 196                    | 196                         | 1,959               |
| Office expenses  | -                        | 10,128                 | 2,338                  | 1,385                       | 13,851              |
| Information technology   | -                        | 8,351                  | 1,044                  | 1,044                       | 10,439              |
| Occupancy  | -                        | 25,735                 | 3,217                  | 3,217                       | 32,169              |
| Travel   | -                        | 6,226                  | 778                    | 778                         | 7,782               |
| Conferences, conventions, and meetings                                   | -                        | 61,548                 | -                      | -                           | 61,548              |
| Insurance  | -                        | 4,606                  | 576                    | 576                         | 5,758               |
| Cultivation program  | -                        | 5,331                  | -                      | -                           | 5,331               |
| Membership dues  | -                        | 6,074                  | 759                    | 759                         | 7,592               |
| Donor relations  | -                        | 3,248                  | -                      | -                           | 3,248               |
| All other expenses   | -                        | 2,387                  | 298                    | 298                         | 2,983               |
| <b>Total functional expenses</b>   | <b>\$10,485,734</b>      | <b>\$ 336,897</b>      | <b>\$ 248,016</b>      | <b>\$ 66,956</b>            | <b>\$11,137,603</b> |

The accompanying notes to the consolidated financial statements are an integral part of these statements



**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**  
Consolidated Statements of Cash Flows  
For the Years Ended December 31, 2019 and 2018

|  | <b>2019</b>         | <b>2018</b>       |
|--|---------------------|-------------------|
| <b>Cash flows from operating activities:</b>   |                     |                   |
| Change in net assets   | \$ 28,402,741       | \$ 2,694,265      |
| <b>Adjustment to reconcile change in net assets<br/>to net cash flows from operating activities:</b> |                     |                   |
| Unrealized (gains) losses on investments   | (4,552,691)         | 3,491,066         |
| Net realized (gains) on investments  | (589,205)           | (677,457)         |
| (Gain) on sale of assets held for sale   | (3,000)             | -                 |
| Impairment loss  | 88,847              | 50,000            |
| Contribution of short-term investment  | (787,254)           | -                 |
| Contributions of financial assets  | (17,973,316)        | (2,000,000)       |
| Contribution of land   | -                   | (3,100,000)       |
| Contribution of other assets   | -                   | (695,000)         |
| Contribution of note receivable  | (357,194)           | (450,000)         |
| <b>(Increase) decrease in operating assets:</b>  |                     |                   |
| Accounts receivable, net   | (770,338)           | -                 |
| Accrued interest on notes receivable   | 16,777              | (8,167)           |
| Promises to give   | (900,000)           | 529,359           |
| Interest in variable life policy   | (43,480)            | 21,683            |
| <b>Increase (decrease) in operating liabilities:</b>   |                     |                   |
| Accounts payable and accrued liabilities   | (1,310)             | (57,706)          |
| Income taxes payable   | (107,388)           | 46,992            |
| Agency funds   | 298,333             | (21,866)          |
| <b>Net cash flows from operating activities</b>  | <b>2,721,522</b>    | <b>(176,831)</b>  |
| <b>Cash flows from investing activities:</b>   |                     |                   |
| Proceeds on sale of assets held for sale   | 628,000             | -                 |
| Issuance of notes receivable   | (100,000)           | (400,000)         |
| Cash paid for purchase of financial assets, at cost  | (27,716)            | (30,000)          |
| Proceeds from sale of financial assets, at cost  | 2,000,000           | 109,905           |
| Payments on notes receivable   | 298,179             | 1,557,120         |
| Proceeds from sale of investment securities  | 15,089,798          | 24,342,582        |
| Cash paid for purchase of investments  | (20,314,663)        | (26,156,043)      |
| <b>Net cash flows from investing activities</b>  | <b>(2,426,402)</b>  | <b>(576,436)</b>  |
| <b>Increase (decrease) in cash and cash equivalents</b>  | <b>295,120</b>      | <b>(753,267)</b>  |
| <b>Cash and cash equivalents, beginning of year</b>  | <b>940,665</b>      | <b>1,693,932</b>  |
| <b>Cash and cash equivalents, end of year</b>  | <b>\$ 1,235,785</b> | <b>\$ 940,665</b> |
| <b>Supplemental disclosures:</b>   |                     |                   |
| Interest paid  | <b>\$ 4,573</b>     | <b>\$ 5,671</b>   |
| Income taxes paid  | <b>\$ 761,810</b>   | <b>\$ 98,616</b>  |

The accompanying notes to the consolidated financial statements are an integral part of these statements

# COMMUNITY FOUNDATION OF UTAH AND COMMUNITY TRUST OF UTAH

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Nature of Operations

The **Community Foundation of Utah** (the “Foundation”) is a publicly supported 501(c)(3) nonprofit public benefit corporation. It received its IRS exemption in March of 2008. The Foundation serves as a partner and resource to nonprofits and citizens improving the quality of life in Utah and to those donors who want to give back locally and nationally.

The Foundation believes in a holistic approach to charitable giving through working with nonprofit organizations, businesses, and individuals to identify and support solutions to the most pressing needs in our community. The Foundation serves as a community convener, pioneering innovation and embracing collaboration to support a thriving state, now and for generations to come.

The **Community Trust of Utah** (the “Trust”) was established with the Foundation as grantor and certain members of the Board of the Foundation as trustees. The Trust is a 501(c)(3) organization formed to benefit, perform the functions of, and carry out the charitable purposes of the Foundation. There was no activity in the trust until the year ended December 31, 2018.

In addition, an ownership interest in Candide Charitable Enterprise, LLC (“Candide”) was assigned to the Foundation as of November 16, 2018 by a donor (the “Assignor”). Candide is a single member Utah limited liability company and is operated as a charitable program of the Assignor as part of a donor advised fund.

### Principles of Consolidation

The consolidated financial statements include the accounts of the Foundation, the Trust, and Candide, which are affiliated by virtue of economic interest and common control. All intercompany accounts and transactions between the Foundation, the Trust and Candide (collectively the “Organization”) have been eliminated.

### Advised Funds

The Organization offers several types of funds that enable donors to identify funding opportunities aligned with their values and charitable interests. These are called donor advised funds and are reported in net assets without donor restrictions as board designated net assets. When donors transfer their funds to the Organization they specifically grant variance power to the Organization. Donors may recommend grant recipients, but they are subject to the Organization’s due diligence and approval. These funds may be advised by an individual, family, or committee of people who desire to pool their contributions toward a common purpose.

Field of interest funds enable donors to identify a broad charitable purpose or category of interest (e.g. women and girls, impact investing, LGBTQ philanthropy, and the environment) and/or geographic area or target population (e.g., Housing and Homelessness, and K through 12 Computer Science Education).

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Adoption of New Accounting Standards**

During the year ended December 31, 2019, the Organization adopted ASU 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update provide a more robust framework for determining whether a transaction should be accounted for as a contribution or an exchange transaction. This update has been applied retrospectively to all periods presented. However, the revenue recognized in prior periods was not modified as a result of adopting this guidance retrospectively.

For the year ended December 31, 2019, the Organization has adopted ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Organization's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

During the year ended December 31, 2019, the Organization adopted ASU No. 2016-01, *Financial Instruments – Overall*. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization accounts for its investments, and therefore no changes to the previously issued audited financial statements were required.

**Basis of Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis in accordance with ASU-2016-14, *Not-for-Profit Entities (Topic 958); Presentation of Financial Statement for Not-for-Profit Entities*, which was adopted for the year ended December 31, 2018. The standard requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions** - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

**Net assets with donor restrictions** - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where-by the donor has stipulated the funds be maintained in perpetuity.

**Cash and Cash Equivalents**

The Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents were made up of depository accounts for the years ended December 31, 2019 and 2018.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Use of Estimates**

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

**Promises to Give**

Promises to give represent unconditional promises to give to the Organization and are recorded at their fair value at date of gift. Promises due later than one year are recorded at the present value of estimated cash flows using imputed discount rates applicable to the year the promise is received. The discount is amortized over the years the promise is paid.

**Investment Policies**

The Board of the Organization has adopted written investment policies with the objective to provide the greatest level of support for current, as well as future, grant making and administrative needs while maintaining the purchasing power of the Organization's charitable assets over time. The board designated net assets and endowment funds are invested with a focus on diversification to help control risk, achieve long-term growth, offset inflationary impact, and allow for distributions and fees.

**Investments**

Investments are initially recorded at their acquisition cost if purchased and at estimated fair value on the date of donation if they were received as a contribution. Subsequent to acquisition, all debt and equity securities are valued and reported at their readily determinable fair values. Realized and unrealized gains and losses are included in the statement of activities. Investment purchases and sales are recorded based on their settlement dates.

The Organization has financial assets carried at cost which have been received from donors and are invested in alternative investments. See further information regarding these financial assets in Note 6.

In furtherance of its mission, the Organization may occasionally make investments in companies, below market rate loans, or investment vehicles that the Board has determined provide a social benefit to the community

**Property and Equipment**

Acquisitions and donations of property and equipment with a fair value in excess of \$5,000 are capitalized and depreciated using the straight-line method over the estimated useful lives of the assets ranging from three to thirty-nine years. Leasehold improvements are amortized using the straight-line method over the lesser of the assets' estimated lives or the term of the applicable lease. No depreciable property and equipment was held as of December 31, 2019 and 2018.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Agency Funds**

The Organization accepts funds from unrelated nonprofit organizations who desire to have the Organization provide efficient investment management. A liability is recorded at the readily determinable estimated fair values of assets deposited with the Organization by nonprofit organizations.

**Contributions**

Contributions are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of donor restrictions. All net assets without donor restrictions are considered to be available for use in the accounting period when the donor makes an unconditional promise to give to the Organization. Contributions that are restricted by the donor are reported as increase in net assets with donor restrictions. When a time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as an increase in net assets without donor restrictions. Any restricted funds remaining at year-end are classified as net assets with donor restrictions.

**Contributions In-kind**

Significant donated investments and property are recorded at estimated fair value at the date of receipt. Contributed services, which require a specialized skill and which the Organization would have paid for if not contributed, are recorded at their estimated fair market value. For the years ended December 31, 2019 and 2018, the Organization did not recognize any contributed services.

**Community Grants Awarded**

Grants are awarded when all significant conditions are met, all due diligence has been completed, and they are approved by the staff and the Board or a committee of the Board.

**Functional Expense Allocations**

Expenses which apply to more than one functional category have been allocated between program services and supporting services based on the time spent on these functions by specific employees as estimated by management. Indirect expenses are allocated based on the overall number of staff in the various functional categories. All other costs are charged directly to the appropriate functional category.

**Marketing Costs**

Marketing costs are charged to operations when incurred. Marketing expense was **\$4,371** and \$1,959 for the years ended December 31, 2019 and 2018, respectively.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Taxes**

The Foundation and the Trust are both organized as Utah nonprofit corporations and have been recognized by the IRS as exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. Candide was organized as a single-member LLC and is considered to be a disregarded entity for tax purposes.

The Foundation and the Trust are required to file an annual Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, both are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Organization determined there was unrelated business income tax due as of December 31, 2018. Taxes due as of December 31, 2018 totaled \$107,388, which included \$85,684 of federal taxes, \$244 of federal underpayment penalty, and \$21,460 of state income taxes. There were no taxes due as of December 31, 2019.

ASC Topic 740, *Income Taxes*, provides guidance on how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation by management of tax positions taken or expected to be taken in preparation of the Foundation and the Trust's tax returns to determine if the positions are more-likely-than-not of being sustained if examined by the taxing authorities. Management has determined there are no uncertain income tax positions. Generally, tax years remain subject to examination for three years from the date filed.

**Concentration of Credit and Market Risk**

The Organization maintains its cash balances in bank accounts, which at times may exceed their federally insured limits of \$250,000 set by the Federal Deposit Insurance Corporation. The Organization has not experienced any losses related to these accounts and believes it is not exposed to any significant credit risk on these balances.

The Organization also maintains accounts with stock brokerage firms. The accounts contain cash, securities, and other investments. The Organization's investments in securities are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with these investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the consolidated financial statements.

To address market risk of investments, the Organization maintains a formal investment policy that sets out performance criteria, investment guidelines and requires review of performance by the Finance and Compliance Committee. The Organization has custody agreements with selected banks that process disbursements at the direction of authorized management.

The Organization recognizes there are inherent risks associated with non-publicly traded securities. Risk is managed through rigorous evaluations before an investment is made and regular communication with investment managers. The Organization may also have risk associated with its concentration of investments in certain geographic areas and certain industries.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Concentration of Credit and Market Risk (Continued)**

The Organization has a concentration in its promises to give as of December 31, 2019. The full outstanding balance of promises to give are from two donors. One donor's pledge represents **54%** of the total promises to give and a second donor's pledge represents the remaining **46%**.

Additionally, the Organization has concentrations in its notes receivable. On December 31, 2019, **86%** of the balance was due from one company. On December 31, 2018, 91% of the balance was due from one company. Management does not believe it is exposed to any significant credit risk from these concentrations.

**Reclassifications**

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no impact on the total assets, liabilities, or change in net assets.

**New Accounting Pronouncements**

In March of 2016, the FASB issued ASU 2016-02, *Leases*, which requires all leases that have a term of more than 12 months to be recognized as assets and liabilities on the balance sheet at inception. A lessee would recognize a lease liability to make lease payments owed to a lessor (liability) and a benefit for the right to use the leased asset (asset) for the lease term. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee would depend on whether the lessee is expected to consume more than an insignificant portion of the economic benefits embedded in the underlying asset. This new guidance is effective for fiscal years beginning after December 15, 2021.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. As part of the FASB's disclosure framework project, it has eliminated, amended and added disclosure requirements for fair value measurements. Entities will no longer be required to disclose the amount of, and reasons for, transfers between Level 1 and Level 2 of the fair value hierarchy, the policy of timing of transfers between levels of the fair value hierarchy and the valuation processes for Level 3 fair value measurements. Public companies will be required to disclose the range and weighted average used to develop significant unobservable inputs for Level 3 fair value measurements. This update is effective for periods beginning after December 15, 2019. Early adoption is permitted as of the beginning of any interim or annual reporting period. The Organization does not believe it will materially impact the disclosures.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**New Accounting Pronouncements (Continued)**

In September of 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which increases the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure requirements. The amendments in this update require organizations to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. Additionally, organizations are required to enhance disclosures by disaggregating the amount of nonfinancial assets recognized within the statement of activities by type of contributed nonfinancial asset and providing additional qualitative information for each disaggregated category. This new guidance is effective for fiscal years beginning after June 15, 2021. The Organization is currently in the process of evaluating the impacts this update will have on the presentation of its financial statements.

**2. LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

|  | <u>2019</u>              | <u>2018</u>              |
|--|--------------------------|--------------------------|
| Cash and cash equivalents  | \$ 1,235,785             | \$ 940,665               |
| Current portion of notes receivable  | <u>492,855</u>           | <u>734,450</u>           |
| Total current financial assets   | <b>1,728,640</b>         | 1,675,115                |
| Less:  |                          |                          |
| Accounts payable and accrued liabilities   | <b>(19,727)</b>          | (21,037)                 |
| Income taxes payable   | -                        | (107,388)                |
| Donor cash and cash equivalents  | <b>(1,030,973)</b>       | (766,254)                |
| Donor notes receivable   | <b>(492,855)</b>         | (734,450)                |
| Plus:  |                          |                          |
| Long-term investments<br>accessible for administration purposes                    | <u>705,540</u>           | <u>601,213</u>           |
| <b>Financial assets available to meet<br/>general expenditures within one year</b> | <b><u>\$ 890,625</u></b> | <b><u>\$ 647,199</u></b> |

As part of the Organization's liquidity management plan, the Organization invests cash in excess of monthly operating requirements in short term investments.



**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**2. LIQUIDITY AND AVAILABILITY (Continued)**

Investments held in donor advised funds are typically held for appreciation until drawn upon to make grant disbursements. The direction of these funds generally follows the wishes of the original donor and amounts to be disbursed are determined annually. As disclosed in Note 4, investments totaled **\$47,777,225** and \$36,667,057 as of December 31, 2019 and 2018, respectively. Grants made from these accounts totaled **\$10,353,165** and \$10,485,734 for the years ended December 31, 2019 and 2018, respectively.

**3. PROMISES TO GIVE**

Promises to give, which meet the definition of unconditional, consist primarily of pledges to contribute to a field of interest fund and consist of the following as of December 31, 2019 and 2018:

|                               | 2019              | 2018        |
|-------------------------------|-------------------|-------------|
| <b>Amounts due in:</b>        |                   |             |
| Less than one year            | \$ 200,000        | \$ -        |
| One to five years             | 700,000           | -           |
|                               | <b>\$ 900,000</b> | <b>\$ -</b> |
| <b>Total promises to give</b> | <b>\$ 900,000</b> | <b>\$ -</b> |

**4. INVESTMENTS**

Investments consist of the following as of December 31, 2019 and 2018:

|                                    | 2019                 | 2018                 |
|------------------------------------|----------------------|----------------------|
| <b>Short-term investments</b>      | <b>\$ 787,254</b>    | <b>\$ -</b>          |
| Long-term investments              |                      |                      |
| Mutual funds                       | 31,790,267           | 26,358,003           |
| Cash and cash equivalents          | 10,703,268           | 4,749,098            |
| Stocks                             | 1,644,762            | 1,955,109            |
| Other investments                  | 1,424,135            | 1,360,714            |
| Bond funds                         | 1,238,892            | 1,731,708            |
| Money market funds                 | 188,647              | 512,425              |
|                                    | <b>46,989,971</b>    | <b>36,667,057</b>    |
| <b>Total long-term investments</b> | <b>46,989,971</b>    | <b>36,667,057</b>    |
| <b>Total investments</b>           | <b>\$ 47,777,225</b> | <b>\$ 36,667,057</b> |

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**4. INVESTMENTS (Continued)**

Investment returns consist of the following for the years ended December 31, 2019 and 2018:

|                                | <u>2019</u>                | <u>2018</u>                  |
|--------------------------------|----------------------------|------------------------------|
| Interest and dividends         | \$ 1,237,725               | \$ 1,456,546                 |
| Net unrealized gains (losses)  | 4,552,691                  | (3,491,066)                  |
| Net realized gains             | 589,205                    | 677,457                      |
| Management fees                | (148,396)                  | (151,738)                    |
| <b>Total investment income</b> | <b><u>\$ 6,231,225</u></b> | <b><u>\$ (1,508,801)</u></b> |

**5. FAIR VALUE MEASUREMENTS**

The Organization's financial instruments consist of investments as of December 31, 2019 and 2018. The recorded value of the instruments approximates fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. In determining fair value, the Organization uses various valuation approaches. ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 - Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**5. FAIR VALUE MEASUREMENTS (Continued)**

Investment assets measured at fair value on a recurring basis as of December 31, 2019 and 2018 are as follows:

|                          | <u>Level 1</u>       | <u>Level 2</u> | <u>Level 3</u>      | <u>Total</u>         |
|--------------------------|----------------------|----------------|---------------------|----------------------|
| <b>December 31, 2019</b> |                      |                |                     |                      |
| Stocks                   | \$ 1,644,762         | \$ -           | \$ -                | \$ 1,644,762         |
| Money market funds       | 188,647              | -              | -                   | 188,647              |
| Mutual funds             | 31,790,267           | -              | -                   | 31,790,267           |
| Bond funds               | 1,238,892            | -              | -                   | 1,238,892            |
| Other investments        | 1,119                | -              | 2,210,270           | 2,211,389            |
| Total                    | <u>\$ 34,863,687</u> | <u>\$ -</u>    | <u>\$ 2,210,270</u> | <u>\$ 37,073,957</u> |
| <b>December 31, 2018</b> |                      |                |                     |                      |
| Stocks                   | \$ 1,955,109         | \$ -           | \$ -                | \$ 1,955,109         |
| Money market funds       | 512,425              | -              | -                   | 512,425              |
| Mutual funds             | 26,358,003           | -              | -                   | 26,358,003           |
| Bond funds               | 1,731,708            | -              | -                   | 1,731,708            |
| Other investments        | 3,193                | -              | 1,357,521           | 1,360,714            |
| Total                    | <u>\$ 30,560,438</u> | <u>\$ -</u>    | <u>\$ 1,357,521</u> | <u>\$ 31,917,959</u> |

The following tables summarize the change in the balance of the Organization's assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3).

|                                     | <u>2019</u>         | <u>2018</u>         |
|-------------------------------------|---------------------|---------------------|
| Balance, beginning of year          | \$ 1,357,521        | \$ -                |
| Transfers into Level 3              | -                   | 1,161,522           |
| Purchases and contributions         | 822,254             | 322,654             |
| Total gains                         | 119,342             | 384,119             |
| Total losses (including impairment) | <u>(88,847)</u>     | <u>(510,774)</u>    |
| Balance, end of year                | <u>\$ 2,210,270</u> | <u>\$ 1,357,521</u> |

**6. FINANCIAL ASSETS CARRIED AT COST**

The Organization manages amounts as directed by certain donors which are invested in alternative investments. These investments do not have a quoted price in an active market, nor do they have readily determinable fair values and are measured at their original cost. Management performed an evaluation on each alternative investment as of December 31, 2019 and 2018, and based on events, changes in circumstances, or objective evidence recognized \$0 and \$50,000 in impairment losses for the years ended December 31, 2019 and 2018, respectively.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**6. FINANCIAL ASSETS CARRIED AT COST (Continued)**

The Organization received donations of membership units and common stock from unrelated partnerships and third parties that are accounted for using the cost method.

A summary of the financial assets carried at cost is as follows as of December 31, 2019 and 2018:

|  | 2019          | 2018         |
|--|---------------|--------------|
| Membership units and common stock      | \$ 19,589,833 | \$ 3,724,137 |
| Alternative investments                | 463,106       | 372,770      |
| Total financial assets carried at cost | \$ 20,052,939 | \$ 4,096,907 |

**7. NOTES RECEIVABLE**

The Organization holds a note receivable that was entered into for charitable purposes with an unrelated nonprofit organization. The initial amount of the note was \$40,000. The note receivable bears interest at a rate of 0% per annum and requires monthly payments in the amount of \$702. The note matures on August 31, 2020. As of December 31, 2019 and 2018, the balance on this note was **\$4,913** and \$14,036, respectively.

The Organization holds a note receivable that was entered into for charitable purposes with an unrelated nonprofit organization. The initial amount of the note was \$50,000. The note receivable bears interest at a rate of 0% per annum and requires monthly payments in the amount of \$1,042. The note matures on February 6, 2022. As of December 31, 2019 and 2018, the balance on this note was **\$25,000** and \$37,500, respectively.

The Organization has an outstanding note receivable from an unrelated party. The initial amount of the note was \$8,866,666. This loan was initially given in exchange for 33 1/3 percent of the class D shares of an unrelated LLC. The note receivable bears interest at a rate of 2.58% per annum and requires annual payments in the amount of \$485,661. The note matures on September 1, 2042. The note is secured by the class D shares noted above. As of December 31, 2019 and 2018, the balance on this note was **\$8,346,236** and \$8,609,765, respectively.

In 2018, the Organization was gifted a promissory note with an unrelated party in the amount of \$450,000. The note bears interest at a rate of 1.48% per annum, requires annual payments of \$116,693, is collateralized by real property mentioned in the agreement, and matures on March 24, 2021. On June 1, 2019, this note was amended to the amount of \$463,419 with an interest rate of 3% per annum and monthly payments of \$3,006. As of December 31, 2019 and 2018, the balance on this note was **\$450,392** and \$450,000, respectively.

In 2018, the Organization entered into an unsecured surplus cash note with an unrelated party in the amount of \$150,000. The note receivable bears interest at a rate of 0% per annum and is due at maturity on May 1, 2062. As of December 31, 2019 and 2018, the balance on this note was **\$150,000** and \$150,000, respectively.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**7. NOTES RECEIVABLE (Continued)**

In 2018, the Organization entered into an unsecured promissory note with an unrelated party in the amount of \$250,000. The note receivable bears interest at a rate of 0% per annum and is due at maturity on December 31, 2036. As of December 31, 2019 and 2018, the balance on this note was **\$250,000** and \$250,000, respectively.

In 2019, the Organization entered into an unsecured surplus cash note with an unrelated party in the amount of \$100,000. The note receivable bears interest at a rate of 0% per annum and is due at maturity on August 1, 2024. As of December 31, 2019, the balance on this note was **\$100,000**.

In 2019, the Organization was assigned interests in a trust deed note with an unrelated party. The amount of the note assigned to the Organization totaled \$343,774. The note bears interest at a rate of 2.5% per annum, requires annual payments of \$171,887, is collateralized by a trust deed, and matures on January 29, 2021. As of December 31, 2019, the balance on this note was **\$343,774**.

As of December 31, 2019, future maturities of the notes receivable are as follows:

|  |              |
|--|--------------|
| For the years ended December 31,         |              |
| 2020                                     | \$ 492,855   |
| 2021                                     | 510,194      |
| 2022                                     | 332,962      |
| 2023                                     | 341,016      |
| 2024                                     | 339,623      |
| Thereafter                               | 7,653,666    |
| Total notes receivable                   | 9,670,316    |
| Less current portion                     | (492,855)    |
| Notes receivable, net of current portion | \$ 9,177,461 |

**8. VARIABLE LIFE POLICY AND OTHER ASSETS**

The Organization has been named as a beneficiary of a variable life insurance policy. The policy includes a death benefit in the amount of \$1,250,000 with a non-guaranteed 8% annual return on the death benefit. The future death benefit represents an economic benefit that the Organization does not control, and accordingly, this amount has not been recorded in the accompanying financial statements. The death benefit will remain in force until the death of the donor at which time the Organization will receive the proceeds from the policy. The policy also has a cash surrender accumulated value of **\$285,855** and \$242,375 as of December 31, 2019 and 2018, respectively, which is included in other assets in the accompanying statements of financial position.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**9. AGENCY FUNDS HELD BY THE ORGANIZATION**

At December 31, 2019 and 2018, the Organization held investment balances of **\$542,333** and \$244,000, respectively, which are designated for other nonprofit entities. These assets held are invested in funds that are managed by the Organization on an agency relationship basis. The following summarizes the activity in these funds for the years ended December 31, 2019 and 2018.

|  | <u>2019</u>       | <u>2018</u>       |
|--|-------------------|-------------------|
| Agency funds, beginning of the year              | \$ 244,000        | \$ 265,866        |
| Contributions designated for other organizations | 360,512           | 1,000             |
| Realized and unrealized investment returns       | 27,200            | (22,832)          |
| Dividend and interest income, net of fees        | 5,889             | 10,149            |
| Grants designated for other organizations        | <u>(95,268)</u>   | <u>(10,183)</u>   |
| Total agency funds                               | <u>\$ 542,333</u> | <u>\$ 244,000</u> |

**10. BOARD DESIGNATED NET ASSETS**

A majority of the net assets without donor restrictions as of December 31, 2019 and 2018 have been designated by the Organization's Board of Directors to be used for specific programs as follows:

|                                    | <u>2019</u>          | <u>2018</u>          |
|------------------------------------|----------------------|----------------------|
| <b>Board-designated net assets</b> |                      |                      |
| Donor advised funds                | \$ 73,804,031        | \$ 49,022,789        |
| Field of interest funds            | 3,040,777            | 909,850              |
| Unrestricted program fund          | 139,376              | 102,722              |
| Scholarship funds                  | 74,101               | 148,599              |
| Fiscal sponsorship funds           | 123,252              | 80,091               |
| Corporate advised funds            | 48,384               | 62,778               |
| Emergency assistance funds         | -                    | 5,724                |
| Other designated funds             | <u>86,688</u>        | <u>496,427</u>       |
| <b>Total</b>                       | <u>\$ 77,316,609</u> | <u>\$ 50,828,980</u> |

The net assets with donor restrictions as of December 31, 2019 includes a promise to give of **\$900,000** that will be designated to field of interest funds as the amounts are received from the donor.

**11. BOARD DESIGNATED ENDOWMENT**

Utah enacted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") in 2007. Accordingly, the Organization reviews all relevant gift instruments and organizing documents to identify funds with donor-imposed restrictions that are subject to the state enacted version of the UPMIFA.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**11. BOARD DESIGNATED ENDOWMENT (Continued)**

In accordance with UPMIFA, the Organization considers the following factors in making a determination as to the appropriation of assets for expenditure: 1) the duration and preservation of the fund, 2) the purposes of the Organization and donor-restricted endowment fund, 3) general economic conditions, 4) the possible effect of inflation and deflation, 5) the expected total return from income and appreciation of investments, 6) other resources of the Organization, and 7) the investment policies of the Organization.

Per the Organization's Spending Policy, the amount available annually for the distribution from the Organization's endowment fund is set by the Board of Directors and is reviewed annually by the Board under the advice of the Finance and Compliance Committee. All or a portion of the payout amount may be reinvested. Additionally, endowment funds are charged a fee by the Organization, which is assessed monthly.

The changes in endowment net assets are as follows for the years ended December 31, 2019 and 2018:

|  | <u>2019</u>         | <u>2018</u>         |
|--|---------------------|---------------------|
| Endowment net assets, January 1                | \$ 3,379,822        | \$ 135,083          |
| Contributions                                  | 93,631              | 79,553              |
| Additions through board designations           | -                   | 3,172,616           |
| Program expense                                | (57,272)            | (1,466)             |
| Investment income, net of investment fees      | 376,651             | 3,770               |
| Unrealized gain (loss) on investments          | 477,519             | (9,734)             |
| <b>Total endowment net assets, December 31</b> | <b>\$ 4,270,351</b> | <b>\$ 3,379,822</b> |

**12. EMPLOYEE BENEFIT PLAN**

The Organization sponsors a 403(b)(7) Plan (the "Plan") for eligible employees. All full-time employees of the Organization are eligible to participate in the Plan. The Organization contributes to the Plan up to 3% of compensation. Participants are immediately vested in both their elective deferral, plus actual earnings thereon, and the Organization matching contributions. The Organization has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. The Organization's total 403(b)(7) contributions for the years ended December 31, 2019 and 2018 were **\$11,004** and \$9,243, respectively.

**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**13. COMMITMENTS**

The Organization has an open lease agreement for office space. The terms of the lease were modified in November 2019 and the expiration of the lease was extended through December 2024. Rent expense was **\$34,365** and \$32,169 for the years ended December 31, 2019 and 2018, respectively. Future minimum lease payments are as follows:

|                                   |                          |
|-----------------------------------|--------------------------|
| For the years ending December 31, |                          |
| 2020                              | \$ 48,654                |
| 2021                              | 50,114                   |
| 2022                              | 51,617                   |
| 2023                              | 53,166                   |
| 2024                              | 54,761                   |
| Thereafter                        | -                        |
| <b>Total</b>                      | <u><u>\$ 258,312</u></u> |

As described in Note 1, the Organization holds ownership in Candide. Candide is the lessor for a piece of real property in Utah County, Utah being used for the farming of produce. The lease expires December 31, 2022. Under this agreement, the lessee has agreed to transfer a minimum amount of produce to one or more charities identified by Candide at least annually.

**14. RELATED PARTY TRANSACTIONS**

The members of the Organization’s Board of Directors are active in the oversight of fundraising events, activities and providing monetary support. Contributions received from members of the Board or from companies with which the Board members are affiliated were approximately **\$13,250** and \$3,600, respectively, for the years ended December 31, 2019 and 2018. Members of the Board also contributed approximately **\$39,740** and \$621,470, respectively, to related donor advised funds for the years ended December 31, 2019 and 2018.

SLCO PFS 1, Inc. (the “SPV”) is a Utah-based nonprofit organization operated exclusively for Salt Lake County’s Pay for Success program. The SPV received approval to operate as a 501(c)(3) entity on January 22, 2016. The Organization provides office space and administrative support for the SPV. During the years ended December 31, 2019 and 2018, the SPV paid the Organization a total of **\$48,607** and \$55,179, respectively, for rent and administrative support. As of December 31, 2019 and 2018, there were no amounts due to or due from the SPV.



**COMMUNITY FOUNDATION OF UTAH AND  
COMMUNITY TRUST OF UTAH**

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2019 and 2018

**15. SUBSEQUENT EVENTS**

Subsequent events have been considered through November 4, 2020, which is the date the financial statements were available to be issued. The Organization has determined that the following information represents the only item that would merit attention from the users of the financial statements.

**COVID-19**

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a “Public Health Emergency of International Concern.” The subsequent COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of various industry business operations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of effects of COVID-19. The related financial impact and duration cannot be reasonably estimated at this time.

## **SUPPLEMENTAL SCHEDULES**

**COMMUNITY FOUNDATION OF UTAH AND COMMUNITY TRUST OF UTAH**  
**Supplemental Schedule I**  
**Consolidating Statement of Financial Position by Department**  
**As of December 31, 2019**

|  | Community Foundation |                      |                      | Community Trust  |                      |                      | Elimination<br>entries | Consolidated<br>total |
|--|----------------------|----------------------|----------------------|------------------|----------------------|----------------------|------------------------|-----------------------|
|  | Administration       | Donors               | Total                | Administration   | Donors               | Total                |                        |                       |
| <b><u>ASSETS</u></b>                     |                      |                      |                      |                  |                      |                      |                        |                       |
| <b>Current assets:</b>                   |                      |                      |                      |                  |                      |                      |                        |                       |
| Cash and cash equivalents                | \$ 120,176           | \$ 960,699           | \$ 1,080,875         | \$ 84,636        | \$ 70,274            | \$ 154,910           | \$ -                   | \$ 1,235,785          |
| Accounts receivable, net                 | 40,809               | 768,337              | 809,146              | 7,873            | -                    | 7,873                | (46,681)               | 770,338               |
| Accrued interest on notes receivable     | -                    | 75,750               | 75,750               | -                | -                    | -                    | -                      | 75,750                |
| Promises to give, current portion        | -                    | 200,000              | 200,000              | -                | -                    | -                    | -                      | 200,000               |
| Short-term investments                   | -                    | -                    | -                    | -                | 787,254              | 787,254              | -                      | 787,254               |
| Notes receivable, current portion        | -                    | 492,855              | 492,855              | -                | -                    | -                    | -                      | 492,855               |
| <b>Total current assets</b>              | <b>160,985</b>       | <b>2,497,641</b>     | <b>2,658,626</b>     | <b>92,509</b>    | <b>857,528</b>       | <b>950,037</b>       | <b>(46,681)</b>        | <b>3,561,982</b>      |
| Investments                              | 705,540              | 45,961,044           | 46,666,584           | -                | 323,387              | 323,387              | -                      | 46,989,971            |
| Promises to give, less current portion   | -                    | 700,000              | 700,000              | -                | -                    | -                    | -                      | 700,000               |
| Financial assets carried at cost         | -                    | 3,011,243            | 3,011,243            | -                | 17,041,696           | 17,041,696           | -                      | 20,052,939            |
| Land                                     | -                    | 3,100,000            | 3,100,000            | -                | -                    | -                    | -                      | 3,100,000             |
| Notes receivable, net of current portion | -                    | 9,177,461            | 9,177,461            | -                | -                    | -                    | -                      | 9,177,461             |
| Other assets                             | -                    | 70,000               | 70,000               | -                | -                    | -                    | -                      | 70,000                |
| Interest in variable life policy         | -                    | 285,855              | 285,855              | -                | -                    | -                    | -                      | 285,855               |
| <b>Total assets</b>                      | <b>\$ 866,525</b>    | <b>\$ 64,803,244</b> | <b>\$ 65,669,769</b> | <b>\$ 92,509</b> | <b>\$ 18,222,611</b> | <b>\$ 18,315,120</b> | <b>\$ (46,681)</b>     | <b>\$ 83,938,208</b>  |
| <b><u>LIABILITIES AND NET ASSETS</u></b> |                      |                      |                      |                  |                      |                      |                        |                       |
| <b>Current liabilities:</b>              |                      |                      |                      |                  |                      |                      |                        |                       |
| Accounts payable and accrued liabilities | \$ 14,323            | \$ 8,552             | \$ 22,875            | \$ 33,388        | \$ 10,145            | \$ 43,533            | \$ (46,681)            | \$ 19,727             |
| <b>Total current liabilities</b>         | <b>14,323</b>        | <b>8,552</b>         | <b>22,875</b>        | <b>33,388</b>    | <b>10,145</b>        | <b>43,533</b>        | <b>(46,681)</b>        | <b>19,727</b>         |
| Agency funds                             | 22,135               | 520,198              | 542,333              | -                | -                    | -                    | -                      | 542,333               |
| <b>Total liabilities</b>                 | <b>36,458</b>        | <b>528,750</b>       | <b>565,208</b>       | <b>33,388</b>    | <b>10,145</b>        | <b>43,533</b>        | <b>(46,681)</b>        | <b>562,060</b>        |
| <b>Net assets:</b>                       |                      |                      |                      |                  |                      |                      |                        |                       |
| <b>Without donor restrictions:</b>       |                      |                      |                      |                  |                      |                      |                        |                       |
| Board designated net assets              | -                    | 59,104,143           | 59,104,143           | -                | 18,212,466           | 18,212,466           | -                      | 77,316,609            |
| Board designated endowment               | -                    | 4,270,351            | 4,270,351            | -                | -                    | -                    | -                      | 4,270,351             |
| Undesignated net assets                  | 760,067              | -                    | 760,067              | 59,121           | -                    | 59,121               | -                      | 819,188               |
| <b>Total without donor restrictions</b>  | <b>760,067</b>       | <b>63,374,494</b>    | <b>64,134,561</b>    | <b>59,121</b>    | <b>18,212,466</b>    | <b>18,271,587</b>    | <b>-</b>               | <b>82,406,148</b>     |
| <b>With donor restrictions</b>           | <b>70,000</b>        | <b>900,000</b>       | <b>970,000</b>       | <b>-</b>         | <b>-</b>             | <b>-</b>             | <b>-</b>               | <b>970,000</b>        |
| <b>Total net assets</b>                  | <b>830,067</b>       | <b>64,274,494</b>    | <b>65,104,561</b>    | <b>59,121</b>    | <b>18,212,466</b>    | <b>18,271,587</b>    | <b>-</b>               | <b>83,376,148</b>     |
| <b>Total liabilities and net assets</b>  | <b>\$ 866,525</b>    | <b>\$ 64,803,244</b> | <b>\$ 65,669,769</b> | <b>\$ 92,509</b> | <b>\$ 18,222,611</b> | <b>\$ 18,315,120</b> | <b>\$ (46,681)</b>     | <b>\$ 83,938,208</b>  |

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**COMMUNITY FOUNDATION OF UTAH AND COMMUNITY TRUST OF UTAH**  
Supplemental Schedule II  
Consolidating Statement of Financial Position by Department  
As of December 31, 2018

|  | Community Foundation |                      |                      | Community Trust |                   |                   | Elimination<br>entries | Consolidated<br>total |
|--|----------------------|----------------------|----------------------|-----------------|-------------------|-------------------|------------------------|-----------------------|
|  | Administration       | Donors               | Total                | Administration  | Donors            | Total             |                        |                       |
| <b>ASSETS</b>                            |                      |                      |                      |                 |                   |                   |                        |                       |
| <b>Current assets:</b>                   |                      |                      |                      |                 |                   |                   |                        |                       |
| Cash and cash equivalents                | \$ 165,174           | \$ 321,214           | \$ 486,388           | \$ 9,237        | \$ 445,040        | \$ 454,277        | \$ -                   | \$ 940,665            |
| Accounts receivable, net                 | 28,778               | -                    | 28,778               | -               | -                 | -                 | (28,778)               | -                     |
| Accrued interest on notes receivable     | -                    | 92,527               | 92,527               | -               | -                 | -                 | -                      | 92,527                |
| Notes receivable, current portion        | -                    | 734,450              | 734,450              | -               | -                 | -                 | -                      | 734,450               |
| <b>Total current assets</b>              | <b>193,952</b>       | <b>1,148,191</b>     | <b>1,342,143</b>     | <b>9,237</b>    | <b>445,040</b>    | <b>454,277</b>    | <b>(28,778)</b>        | <b>1,767,642</b>      |
| Investments                              | 601,213              | 36,065,844           | 36,667,057           | -               | -                 | -                 | -                      | 36,667,057            |
| Financial assets carried at cost         | -                    | 4,096,907            | 4,096,907            | -               | -                 | -                 | -                      | 4,096,907             |
| Land                                     | -                    | 3,100,000            | 3,100,000            | -               | -                 | -                 | -                      | 3,100,000             |
| Notes receivable, net of current portion | -                    | 8,776,851            | 8,776,851            | -               | -                 | -                 | -                      | 8,776,851             |
| Other assets                             | -                    | 695,000              | 695,000              | -               | -                 | -                 | -                      | 695,000               |
| Interest in variable life policy         | -                    | 242,375              | 242,375              | -               | -                 | -                 | -                      | 242,375               |
| <b>Total assets</b>                      | <b>\$ 795,165</b>    | <b>\$ 54,125,168</b> | <b>\$ 54,920,333</b> | <b>\$ 9,237</b> | <b>\$ 445,040</b> | <b>\$ 454,277</b> | <b>\$ (28,778)</b>     | <b>\$ 55,345,832</b>  |
| <b>LIABILITIES AND NET ASSETS</b>        |                      |                      |                      |                 |                   |                   |                        |                       |
| <b>Current liabilities:</b>              |                      |                      |                      |                 |                   |                   |                        |                       |
| Accounts payable and accrued liabilities | \$ 15,134            | \$ 31,541            | \$ 46,675            | \$ 2,528        | \$ 612            | \$ 3,140          | \$ (28,778)            | \$ 21,037             |
| Income taxes payable                     | -                    | -                    | -                    | -               | 107,388           | 107,388           | -                      | 107,388               |
| <b>Total current liabilities</b>         | <b>15,134</b>        | <b>31,541</b>        | <b>46,675</b>        | <b>2,528</b>    | <b>108,000</b>    | <b>110,528</b>    | <b>(28,778)</b>        | <b>128,425</b>        |
| Agency funds                             | 22,135               | 221,865              | 244,000              | -               | -                 | -                 | -                      | 244,000               |
| <b>Total liabilities</b>                 | <b>37,269</b>        | <b>253,406</b>       | <b>290,675</b>       | <b>2,528</b>    | <b>108,000</b>    | <b>110,528</b>    | <b>(28,778)</b>        | <b>372,425</b>        |
| <b>Net assets:</b>                       |                      |                      |                      |                 |                   |                   |                        |                       |
| <b>Without donor restrictions:</b>       |                      |                      |                      |                 |                   |                   |                        |                       |
| Board designated net assets              | -                    | 50,491,940           | 50,491,940           | -               | 337,040           | 337,040           | -                      | 50,828,980            |
| Board designated endowment               | -                    | 3,379,822            | 3,379,822            | -               | -                 | -                 | -                      | 3,379,822             |
| Undesignated net assets                  | 687,896              | -                    | 687,896              | 6,709           | -                 | 6,709             | -                      | 694,605               |
| <b>Total without donor restrictions</b>  | <b>687,896</b>       | <b>53,871,762</b>    | <b>54,559,658</b>    | <b>6,709</b>    | <b>337,040</b>    | <b>343,749</b>    | <b>-</b>               | <b>54,903,407</b>     |
| <b>With donor restrictions</b>           | <b>70,000</b>        | <b>-</b>             | <b>70,000</b>        | <b>-</b>        | <b>-</b>          | <b>-</b>          | <b>-</b>               | <b>70,000</b>         |
| <b>Total net assets</b>                  | <b>757,896</b>       | <b>53,871,762</b>    | <b>54,629,658</b>    | <b>6,709</b>    | <b>337,040</b>    | <b>343,749</b>    | <b>-</b>               | <b>54,973,407</b>     |
| <b>Total liabilities and net assets</b>  | <b>\$ 795,165</b>    | <b>\$ 54,125,168</b> | <b>\$ 54,920,333</b> | <b>\$ 9,237</b> | <b>\$ 445,040</b> | <b>\$ 454,277</b> | <b>\$ (28,778)</b>     | <b>\$ 55,345,832</b>  |

See independent auditor's report

**COMMUNITY FOUNDATION OF UTAH AND COMMUNITY TRUST OF UTAH**  
Supplemental Schedule III  
Consolidating Statement of Activities by Department  
For the Year Ended December 31, 2019

|   | Community Foundation     |                             |                             | Community Trust         |                             |                             | Elimination<br>entries    | Consolidated<br>total       |
|---|--------------------------|-----------------------------|-----------------------------|-------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|
|   | Administration           | Donors                      | Total                       | Administration          | Donors                      | Total                       |                           |                             |
| <b>Change in net assets without donor restrictions:</b>     |                          |                             |                             |                         |                             |                             |                           |                             |
| <b>Support, revenues and losses:</b>                        |                          |                             |                             |                         |                             |                             |                           |                             |
| Contributions   | \$ 5,852                 | \$ 9,254,055                | \$ 9,259,907                | \$ -                    | \$ 6,957,293                | \$ 6,957,293                | \$ (1,543,016)            | \$ 14,674,184               |
| Contributions of financial assets                           | -                        | 931,620                     | 931,620                     | -                       | 17,041,696                  | 17,041,696                  | -                         | 17,973,316                  |
| Contribution of note receivable                             | -                        | 357,194                     | 357,194                     | -                       | -                           | -                           | -                         | 357,194                     |
| Return on investments, net of fees                          | 14,902                   | 6,169,262                   | 6,184,164                   | -                       | 47,061                      | 47,061                      | -                         | 6,231,225                   |
| Impairment loss   | -                        | (88,847)                    | (88,847)                    | -                       | -                           | -                           | -                         | (88,847)                    |
| Other income (expense)                                      | 636,231                  | (545,879)                   | 90,352                      | 58,703                  | (89,562)                    | (30,859)                    | -                         | 59,493                      |
| Total support, revenues and losses                          | <u>656,985</u>           | <u>16,077,405</u>           | <u>16,734,390</u>           | <u>58,703</u>           | <u>23,956,488</u>           | <u>24,015,191</u>           | <u>(1,543,016)</u>        | <u>39,206,565</u>           |
| <b>Release of restrictions</b>                              | <u>70,000</u>            | <u>-</u>                    | <u>70,000</u>               | <u>-</u>                | <u>-</u>                    | <u>-</u>                    | <u>-</u>                  | <u>70,000</u>               |
| Total support, revenues, losses and release of restrictions | <u><u>726,985</u></u>    | <u><u>16,077,405</u></u>    | <u><u>16,804,390</u></u>    | <u><u>58,703</u></u>    | <u><u>23,956,488</u></u>    | <u><u>24,015,191</u></u>    | <u><u>(1,543,016)</u></u> | <u><u>39,276,565</u></u>    |
| <b>Expenses:</b>  |                          |                             |                             |                         |                             |                             |                           |                             |
| <b>Program:</b>   |                          |                             |                             |                         |                             |                             |                           |                             |
| Community grants awarded                                    | 1,200                    | 6,443,992                   | 6,445,192                   | -                       | 5,450,989                   | 5,450,989                   | (1,543,016)               | 10,353,165                  |
| Other program services                                      | 312,862                  | 100,363                     | 413,225                     | -                       | -                           | -                           | -                         | 413,225                     |
| Total program   | <u>314,062</u>           | <u>6,544,355</u>            | <u>6,858,417</u>            | <u>-</u>                | <u>5,450,989</u>            | <u>5,450,989</u>            | <u>(1,543,016)</u>        | <u>10,766,390</u>           |
| <b>Supporting services:</b>                                 |                          |                             |                             |                         |                             |                             |                           |                             |
| Management and general                                      | 266,105                  | (6,588)                     | 259,517                     | 6,291                   | 23,921                      | 30,212                      | -                         | 289,729                     |
| Fundraising and development                                 | 74,647                   | 10,096                      | 84,743                      | -                       | -                           | -                           | -                         | 84,743                      |
| Total supporting services                                   | <u>340,752</u>           | <u>3,508</u>                | <u>344,260</u>              | <u>6,291</u>            | <u>23,921</u>               | <u>30,212</u>               | <u>-</u>                  | <u>374,472</u>              |
| Total functional expenses                                   | <u>654,814</u>           | <u>6,547,863</u>            | <u>7,202,677</u>            | <u>6,291</u>            | <u>5,474,910</u>            | <u>5,481,201</u>            | <u>(1,543,016)</u>        | <u>11,140,862</u>           |
| <b>Unrelated business income tax</b>                        | <u>-</u>                 | <u>26,810</u>               | <u>26,810</u>               | <u>-</u>                | <u>606,152</u>              | <u>606,152</u>              | <u>-</u>                  | <u>632,962</u>              |
| Total expenses  | <u>654,814</u>           | <u>6,574,673</u>            | <u>7,229,487</u>            | <u>6,291</u>            | <u>6,081,062</u>            | <u>6,087,353</u>            | <u>(1,543,016)</u>        | <u>11,773,824</u>           |
| Increase in net assets without donor restrictions           | <u>72,171</u>            | <u>9,502,732</u>            | <u>9,574,903</u>            | <u>52,412</u>           | <u>17,875,426</u>           | <u>17,927,838</u>           | <u>-</u>                  | <u>27,502,741</u>           |
| <b>Change in net assets with donor restrictions:</b>        |                          |                             |                             |                         |                             |                             |                           |                             |
| Contributions   | 70,000                   | 900,000                     | 970,000                     | -                       | -                           | -                           | -                         | 970,000                     |
| Release of restrictions                                     | (70,000)                 | -                           | (70,000)                    | -                       | -                           | -                           | -                         | (70,000)                    |
| Increase in net assets with donor restrictions              | <u>-</u>                 | <u>900,000</u>              | <u>900,000</u>              | <u>-</u>                | <u>-</u>                    | <u>-</u>                    | <u>-</u>                  | <u>900,000</u>              |
| <b>Change in net assets</b>                                 | <u>72,171</u>            | <u>10,402,732</u>           | <u>10,474,903</u>           | <u>52,412</u>           | <u>17,875,426</u>           | <u>17,927,838</u>           | <u>-</u>                  | <u>28,402,741</u>           |
| <b>Net assets, beginning of year</b>                        | <u>757,896</u>           | <u>53,871,762</u>           | <u>54,629,658</u>           | <u>6,709</u>            | <u>337,040</u>              | <u>343,749</u>              | <u>-</u>                  | <u>54,973,407</u>           |
| <b>Net assets, end of year</b>                              | <u><u>\$ 830,067</u></u> | <u><u>\$ 64,274,494</u></u> | <u><u>\$ 65,104,561</u></u> | <u><u>\$ 59,121</u></u> | <u><u>\$ 18,212,466</u></u> | <u><u>\$ 18,271,587</u></u> | <u><u>\$ -</u></u>        | <u><u>\$ 83,376,148</u></u> |

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**COMMUNITY FOUNDATION OF UTAH AND COMMUNITY TRUST OF UTAH**  
**Supplemental Schedule IV**  
**Consolidating Statement of Activities by Department**  
**For the Year Ended December 31, 2018**

|   | Community Foundation |               |               | Community Trust |            |            | Consolidated total |
|---|----------------------|---------------|---------------|-----------------|------------|------------|--------------------|
|   | Administration       | Donors        | Total         | Administration  | Donors     | Total      |                    |
| <b>Change in net assets without donor restrictions:</b>     |                      |               |               |                 |            |            |                    |
| <b>Support, revenues and losses:</b>                        |                      |               |               |                 |            |            |                    |
| Contributions   | \$ 62,176            | \$ 8,703,035  | \$ 8,765,211  | \$ 100          | \$ 456,830 | \$ 456,930 | \$ 9,222,141       |
| Contributions of financial assets                           | -                    | 2,000,000     | 2,000,000     | -               | -          | -          | 2,000,000          |
| Contribution of land  | -                    | 3,100,000     | 3,100,000     | -               | -          | -          | 3,100,000          |
| Contribution of other assets                                | -                    | 695,000       | 695,000       | -               | -          | -          | 695,000            |
| Contribution of note receivable                             | -                    | 450,000       | 450,000       | -               | -          | -          | 450,000            |
| Return on investments, net of fees                          | 10,723               | (1,519,494)   | (1,508,771)   | -               | (30)       | (30)       | (1,508,801)        |
| Impairment loss   | -                    | (50,000)      | (50,000)      | -               | -          | -          | (50,000)           |
| Other income (expense)                                      | 464,710              | (461,055)     | 3,655         | 9,137           | (9,137)    | -          | 3,655              |
| Total support, revenues and losses                          | 537,609              | 12,917,486    | 13,455,095    | 9,237           | 447,663    | 456,900    | 13,911,995         |
| <b>Release of restrictions</b>                              | 70,000               | -             | 70,000        | -               | -          | -          | 70,000             |
| Total support, revenues, losses and release of restrictions | 607,609              | 12,917,486    | 13,525,095    | 9,237           | 447,663    | 456,900    | 13,981,995         |
| <b>Expenses:</b>  |                      |               |               |                 |            |            |                    |
| <b>Program:</b>   |                      |               |               |                 |            |            |                    |
| Community grants awarded                                    | (428)                | 10,486,162    | 10,485,734    | -               | -          | -          | 10,485,734         |
| Other program services                                      | 296,388              | 37,886        | 334,274       | -               | 2,623      | 2,623      | 336,897            |
| Total program   | 295,960              | 10,524,048    | 10,820,008    | -               | 2,623      | 2,623      | 10,822,631         |
| <b>Supporting services:</b>                                 |                      |               |               |                 |            |            |                    |
| Management and general                                      | 237,551              | 7,325         | 244,876       | 2,528           | 612        | 3,140      | 248,016            |
| Fundraising and development                                 | 61,884               | 5,072         | 66,956        | -               | -          | -          | 66,956             |
| Total supporting services                                   | 299,435              | 12,397        | 311,832       | 2,528           | 612        | 3,140      | 314,972            |
| Total functional expenses                                   | 595,395              | 10,536,445    | 11,131,840    | 2,528           | 3,235      | 5,763      | 11,137,603         |
| <b>Unrelated business income tax</b>                        | -                    | 42,739        | 42,739        | -               | 107,388    | 107,388    | 150,127            |
| Total expenses  | 595,395              | 10,579,184    | 11,174,579    | 2,528           | 110,623    | 113,151    | 11,287,730         |
| Increase in net assets without donor restrictions           | 12,214               | 2,338,302     | 2,350,516     | 6,709           | 337,040    | 343,749    | 2,694,265          |
| <b>Change in net assets with donor restrictions:</b>        |                      |               |               |                 |            |            |                    |
| Contributions   | 70,000               | -             | 70,000        | -               | -          | -          | 70,000             |
| Release of restrictions                                     | (70,000)             | -             | (70,000)      | -               | -          | -          | (70,000)           |
| Increase in net assets with donor restrictions              | -                    | -             | -             | -               | -          | -          | -                  |
| <b>Change in net assets</b>                                 | 12,214               | 2,338,302     | 2,350,516     | 6,709           | 337,040    | 343,749    | 2,694,265          |
| <b>Net assets, beginning of year</b>                        | 745,682              | 51,533,460    | 52,279,142    | -               | -          | -          | 52,279,142         |
| <b>Net assets, end of year</b>                              | \$ 757,896           | \$ 53,871,762 | \$ 54,629,658 | \$ 6,709        | \$ 337,040 | \$ 343,749 | \$ 54,973,407      |

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