

**COMMUNITY FOUNDATION OF
CENTRAL GEORGIA, INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023**

**COMMUNITY FOUNDATION OF
CENTRAL GEORGIA, INC. AND SUBSIDIARIES**

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BUTLER, WILLIAMS & WYCHE, LLP
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October 30, 2024

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of
Community Foundation of Central Georgia, Inc. and Subsidiaries**

Opinion

We have audited the accompanying combined financial statements of Community Foundation of Central Georgia, Inc. and Subsidiaries (a nonprofit organization), which comprise the combined statements of financial position as of June 30, 2024 and 2023, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Community Foundation of Central Georgia, Inc. and Subsidiaries as of June 30, 2024 and 2023, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Butler, Williams & Styer, LLP

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

ASSETS	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	9,022,623	\$ 15,068,573
Investments, at market value	144,209,252	126,755,846
Contributions and other receivables, net	-	470,950
Prepaid expenses	125,850	179,183
Donated real property, at appraised fair value	680,000	680,000
Office equipment & renovations	76,599	87,792
Accumulated depreciation	(76,599)	(85,526)
Right of use asset - operating lease, net	45,807	84,697
Collections	12,000	12,000
Assets held in split interest agreements	25,202,647	24,376,969
TOTAL ASSETS	<u>179,298,179</u>	<u>\$ 167,630,484</u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	12,485	\$ 6,449
Grants payable	538,741	1,375,754
Accrued annual leave	13,149	16,743
Deferred revenue	75,000	125,000
Lease liability - operating lease	40,061	81,824
Agency endowments	16,064,084	14,787,444
Liabilities under split interest agreements	13,194,874	13,192,407
TOTAL LIABILITIES	<u>29,938,394</u>	<u>29,585,621</u>
 NET ASSETS		
Without donor restrictions		
Undesignated	137,327,057	126,373,371
Total without donor restrictions	<u>137,327,057</u>	<u>126,373,371</u>
With donor restrictions		
Time-restricted	12,032,728	11,671,492
Total with donor restrictions	<u>12,032,728</u>	<u>11,671,492</u>
TOTAL NET ASSETS	<u>149,359,785</u>	<u>138,044,863</u>
TOTAL LIABILITIES AND NET ASSETS	<u>179,298,179</u>	<u>\$ 167,630,484</u>

The accompanying notes are an integral part of these statements.

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Contributions & pledges, net of bad debt of \$0 and \$0	\$ 5,821,079	\$ -	\$ 5,821,079
Net investment income	14,137,383	-	14,137,383
Administration of funds, grants, and trusts net of related expenses of \$1,088,413 and \$1,004,545	209,032	(47,375)	161,657
Change in value of split interest agreements	-	879,561	879,561
Decrease in contributions & pledges receivable due to receipt of assets	470,950	(470,950)	-
TOTAL REVENUES, GAINS AND OTHER SUPPORT	\$ 20,638,444	\$ 361,236	\$ 20,999,680
EXPENSES			
Program services:			
Grants	8,100,320	-	8,100,320
Other	670,073	-	670,073
Supporting services:			
Management and general	499,264	-	499,264
Fundraising	415,101	-	415,101
TOTAL EXPENSES	9,684,758	-	9,684,758
CHANGE IN NET ASSETS	10,953,686	361,236	11,314,922
NET ASSETS-BEGINNING OF YEAR	126,373,371	11,671,492	138,044,863
NET ASSETS-END OF YEAR	\$ 137,327,057	\$ 12,032,728	\$ 149,359,785

The accompanying notes are an integral part of these statements.

2023		
<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
\$ 10,210,399	\$ 470,950	\$ 10,681,349
10,400,331	-	10,400,331
203,525	(48,815)	154,710
-	(207,274)	(207,274)
<u>10,000</u>	<u>(10,000)</u>	<u>-</u>
<u>\$ 20,824,255</u>	<u>\$ 204,861</u>	<u>\$ 21,029,116</u>
8,905,441	-	8,905,441
755,197	-	755,197
591,002	-	591,002
<u>339,142</u>	<u>-</u>	<u>339,142</u>
<u>10,590,782</u>	<u>-</u>	<u>10,590,782</u>
10,233,473	204,861	10,438,334
<u>116,139,898</u>	<u>11,466,631</u>	<u>127,606,529</u>
<u>\$ 126,373,371</u>	<u>\$ 11,671,492</u>	<u>\$ 138,044,863</u>

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024				
	Program Services		Supporting Services		
	Grants	Other	Management and General	Fundraising	Total
Business Insurance	\$ -	\$ 5,216	\$ 4,583	\$ 2,845	12,644
Communications	-	61,163	57,105	44,333	162,601
Computer related expenses	-	39,166	34,418	21,363	94,947
Depreciation	-	935	821	510	2,266
Development	-			63,006	63,006
Dues	-	17,038	14,973	9,293	41,304
Grants	8,100,320	-	-	-	8,100,320
Health insurance	-	35,176	30,913	19,187	85,276
Lease and occupancy expense	-	21,262	18,686	11,598	51,546
Legal and professional	-	34,494	30,313	18,815	83,622
Meeting cost	-	8,563		117	8,680
Merchant fees	-			2,260	2,260
Office supplies	-	6,432	5,652	3,508	15,592
Payroll taxes	-	24,371	16,314	11,999	52,684
Postage	-	2,239	1,967	1,221	5,427
Property taxes	-		1,629		1,629
Retirement plan	-	30,540	20,443	15,036	66,019
Salaries	-	360,805	241,523	177,643	779,971
Telephone	-	7,202	6,329	3,928	17,459
Travel	-	15,471	13,595	8,439	37,505
	<u>8,100,320</u>	<u>670,073</u>	<u>499,264</u>	<u>415,101</u>	<u>9,684,758</u>

The accompanying notes are an integral part of these statements.

2023

Program Services		Supporting Services		
Grants	Other	Management and General	Fundraising	Total
\$ -	\$ 10,775	\$ 9,469	\$ 5,878	\$ 26,122
-	132,760	27,362	32,141	192,263
-	57,392	50,435	31,304	139,131
-	935	821	510	2,266
-	-	-	37,651	37,651
-	13,732	12,068	7,490	33,290
8,905,441	-	-	-	8,905,441
-	27,587	24,243	15,048	66,878
-	44,506	2,312	1,435	48,253
-	20,242	201,294	-	221,536
-	15,339	-	-	15,339
-	-	-	2,468	2,468
-	6,144	5,400	3,352	14,896
-	24,074	13,660	11,357	49,091
-	2,353	2,067	1,283	5,703
-	-	11,762	-	11,762
-	29,831	16,926	14,072	60,829
-	358,255	203,276	169,005	730,536
-	6,573	5,777	3,585	15,935
-	4,699	4,130	2,563	11,392
<u>\$ 8,905,441</u>	<u>\$ 755,197</u>	<u>\$ 591,002</u>	<u>\$ 339,142</u>	<u>\$ 10,590,782</u>

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 11,314,922	\$ 10,438,334
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation & amortization	41,156	39,704
(Increase) decrease in:		
Right of use asset - operating lease	-	(122,135)
Prepaid expenses	53,332	35,935
Contributions receivable	470,950	(460,950)
Notes receivable	-	228,000
Increase (decrease) in:		
Accounts payable	6,036	4,800
Accrued annual leave	(3,594)	(5,532)
Deferred revenue	(50,000)	(50,000)
Agency endowments	1,276,640	1,516,534
Lease liability - operating	(41,763)	81,824
Grants payable	(837,013)	(168,987)
Marketable securities received as contributions	(1,065,681)	(1,134,310)
(Increase) decrease in donated real property	-	460,000
Net unrealized and realized (gains) losses on marketable securities	<u>(10,300,771)</u>	<u>(2,852,627)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>864,214</u>	<u>8,010,590</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) decrease in interest and dividends receivable	-	95,997
Purchases of marketable securities	(17,532,890)	(21,269,912)
Proceeds from sale of marketable securities	11,445,937	17,424,376
(Increase) decrease in assets under split interest agreements	(825,678)	666,087
Increase (decrease) in liabilities under split interest agreements	<u>2,467</u>	<u>(413,159)</u>
NET CASH (USED) BY INVESTING ACTIVITIES	<u>(6,910,164)</u>	<u>(3,496,611)</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 (6,045,950)	 4,513,979
 BEGINNING CASH AND CASH EQUIVALENTS	 <u>15,068,573</u>	 <u>10,554,594</u>
 ENDING CASH AND CASH EQUIVALENTS	 <u>\$ 9,022,623</u>	 <u>\$ 15,068,573</u>
 SUPPLEMENTAL DISCLOSURE		
Non-cash contributions	\$ 1,065,681	\$ 1,272,310

The accompanying notes are an integral part of these statements.

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The mission of the Community Foundation of Central Georgia, Inc. and Subsidiaries (collectively referred to as the “Foundation”) is to enhance the quality of life for the people of Central Georgia. The Foundation receives gifts and bequests from individuals, families, businesses and organizations. These gifts and bequests make up the funds of the Foundation.

Basis of Presentation

The Foundation’s consolidated financial statements have been prepared on the accrual basis of accounting which recognizes revenue when earned and expenses when incurred in accordance with generally accepted accounting principles in the United States of America.

Basis of Consolidation

The consolidated financial statements of the Foundation include the Community Foundation of Central Georgia, Inc. and the two wholly owned subsidiaries of the Foundation: CFCG Holdings, LLC and Dover Hall Tract 100, LLC. These entities have been set up for the purpose of holding real estate contributed to the Foundation. All significant balances and transactions between the entities have been eliminated in consolidation.

Cash and Cash Equivalents

Cash and cash equivalents as reported on the Consolidated Statements of Financial Position consist of cash, money market funds, and U.S. Treasury notes with a maturity of three months or less at the time of purchase.

Investments

Investments in money market funds and marketable securities are reported at their fair market values based upon published quotes. Investments received as contributions are recorded at their fair market value as determined at the time of the gift. Gains and losses on investments for the year are reported in the Consolidated Statements of Activities as part of net unrealized and realized gain (loss) on marketable securities.

Donated Real Property

Donated real property held for sale is stated at fair market value at the date of donation. Fair market values are adjusted periodically if values materially decline. Periodic fair value appraisals are made as deemed necessary based upon economic conditions and management’s discretion to determine whether the value of the real estate is impaired.

Property and Equipment

Office equipment is recorded on the basis of cost. Depreciation is provided using the straight-line method over the estimated useful lives of three to thirty years. Depreciation expense in fiscal year ends ended June 30, 2024 and 2023 was \$2,266 and \$2,266, respectively.

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Collections

Works of art, historical treasures and similar assets donated to the Foundation are recorded at their estimated fair market value on the date of the gift. They are not depreciated because their economic benefit is used up so slowly that their estimated useful lives are extraordinarily long.

Leases

Operating lease right-of-use assets (ROU) and lease liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. The ROU assets and related lease liability resulting from operating leases are disclosed separately in the Statement of Financial Position. At lease commencement, lease liabilities are recognized based on the present value of the remaining lease payments and discounted using a risk-free rate. Operating lease cost is recognized on a straight-line basis over the lease term as Lease expense in the accompanying Statement of Functional Expenses. The Foundation determines if an arrangement is a lease at inception, and all leases are recorded in the statements unless there is an initial lease term of less than 12 months.

Public Support and Revenue

Support from contributions is recognized when donations and unconditional promises to give are received by the Foundation. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are recorded at the present value of their net realizable value using a risk-free interest rate. All non-cash contributions are recognized at their fair market value on the date received. Gifts of cash and other assets are reported as restricted support if they are received with time restrictions such as split interest agreements, contributions receivable, and unconditional promises to give. When the stipulated time restriction ends, time-restricted net assets are reclassified to undesignated net assets and reported in the Consolidated Statements of Activities as net assets released from restrictions.

Functional Allocation of Expenses

The Consolidated Statement of Functional Expenses allocates expenses between two categories or “functions.” These functions are program services, which are grants made in support of the Foundation’s mission and related expenses, and supporting services, which are general, administrative and fundraising expenses. During the year ended June 30, 2024 and 2023, the Foundation made grants totaling \$8,100,320 and \$8,905,441 respectively, for various community needs. Certain costs have been allocated between program services and supporting services based on estimates made by management.

Grants

Grants are recorded as expenses in the year they are approved for payment.

Net Assets

The accompanying financial statements have been prepared in accordance with the Financial Accounting Standards Board (FASB) in Accounting Standards Codification (ASC) Topic 958, *Not-For-Profit Entities*. Under ASC 958, the Foundation is required to present its net assets and its revenue and gains (losses) based upon the existence or absence of donor-imposed restrictions.

Net Assets Without Donor Restrictions – The portion of net assets that has no use or time restrictions. Net assets available for general use and not subject to donor restrictions. Net assets without donor restrictions also include the investment in property and equipment, net of accumulated depreciation.

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets With Donor Restrictions – The portion of net assets that consist of a restriction on the specific use or the occurrence of a certain future event. Net assets resulting from contributions and endowment investment earnings subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met, either by actions of the Foundation and/or the passage of time.

ASC 958 provides guidance for the classification of donor-restricted endowment funds that are subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The subtopic also provides for enhanced disclosures about endowment funds (both donor-restricted endowment funds and board designated endowment funds). The Board of Directors, on the advice of legal counsel, has determined that the majority of the Foundation’s net assets do not meet the definition of endowment under UPMIFA. While not UPMIFA-defined endowment, reference to “endowment” or “endowed assets” in these notes relate to those intentions of the Foundation.

The Foundation is governed subject to its Articles of Incorporation and Bylaws, its adopted investment policy and individual gift agreements. Certain contributions are received subject to other gift instruments, or are subject to specific agreements with the Foundation. Under the terms of its Articles of Incorporation, the Foundation has the ability to distribute all or any part of its net income, principal or property, in accordance with determination made by the Foundation’s Board of Directors. As a result of the ability to distribute corpus, all contributions not classified as net assets with donor restrictions are classified as net assets without donor restrictions for financial statement purposes.

Net assets with donor restrictions consist of irrevocable charitable trusts, restricted contributions receivable, and the remaining portion of donor-restricted endowment funds. When donor restrictions expire, that is, when a stipulated time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

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

	2024	2023
Contributions Receivable, net	\$ -	\$ 470,950
Split Interest Agreements	12,032,729	11,200,542
Total net assets with donor restrictions	\$ 12,032,729	\$ 11,671,492

Endowment Investment and Spending Policies

Endowment assets are invested pursuant to the Foundation’s investment policy. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters. The Foundation’s investment policy statement establishes a payout rate for distribution.

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Funds Due to Other Organizations for Organizational Endowments

In accordance with FASB ASC Topic 958-605, if a not-for-profit organization establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as organizational endowments.

The Foundation maintains variance power and legal ownership of organizational endowment funds and, as such, continues to report the funds as assets of the Foundation. However, in accordance with ASC 958-605, a liability has been established for the present value of the future payments expected to be made to the not-for-profit organizations, which is generally equivalent to the fair value of the funds. All financial activity for the years ended June 30, 2024 and 2023 related to these funds is not reflected in the Consolidated Statements of Activities and has been classified as a liability in the Consolidated Statements of Financial Position.

Use of Estimates

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

Income Taxes

The Foundation has been granted exemption from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined not to be a private foundation under Section 509(a)(1) of the Code. As such, no provision for income taxes is reflected in the financial statements.

The Foundation is required to report unrelated business income as defined under Code sections 511 through 515. There was no unrelated business income tax expense for the years ended June 30, 2024 and 2023.

The Foundation files an information organization return and unrelated business income tax returns, when applicable, in the Federal jurisdiction.

NOTE B – LIQUIDITY AND AVAILABILITY

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

	2024	2023
Cash	\$ 9,022,623	\$ 15,068,573
Receivables	-	470,000
Investments	144,209,252	126,755,847
Total	\$ 153,231,875	\$ 142,294,420

As part of the Foundation’s liquidity management plan, financial assets are structured to be available as awarded grants, general expenditures, liabilities, and other obligations become due. The Foundation invests cash in excess of daily requirements in short-term investments and money market funds.

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE C – INVESTMENTS

The Foundation’s investments are reported at fair value. All other Foundation financial instruments’ fair values approximate carrying value. Investments are summarized as follows at June 30:

	2024		2023	
	Cost	Fair Market Value	Cost	Fair Market Value
Stocks, Bonds and Mutual Funds	\$ 119,275,363	\$ 144,209,252	\$ 112,634,862	\$ 126,755,846

Fair Value Measurement

The Foundation follows the provisions of fair value measurement and disclosures codified in the *Fair Value Measurements and Disclosures* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820. This Standard is intended to increase consistency and comparability in fair value measurements by defining fair value, establishing a framework for measuring fair value, and expanding disclosures about fair value measurements. FASB ASC 820 establishes a three-level hierarchy for disclosure of assets and liabilities recorded at fair value. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect estimates about market data.

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

Level I – Quoted prices are available in active markets for identical investments as of the reporting date. Valuation adjustments are not applied to Level I instruments. Since valuations are based on quoted prices that are readily available in an active market, valuation of these products does not entail a significant degree of judgment. Classifications consist of common stocks and mutual funds that are valued at the closing price reported on the active market on which the individual securities are traded.

Level II – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level I. Inputs include quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets, or other than quoted prices that are observable for assets. Classifications consist of commingled funds, private placement mutual funds, and limited partnerships where detailed holdings were available and consisted of securities reported on active markets, as well as debt securities valued using inputs of quoted prices for similar assets.

Level III – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. Classifications consist of hedge funds and other securities that do not have a readily determinable market value because detailed holdings were unavailable, or the securities are not publicly traded. Fair values are based on information provided by administrators of each underlying fund.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment is based on the lowest level of input that is significant to the fair value measurement. The Foundation’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE C – INVESTMENTS (CONTINUED)

The fair value of each financial instrument in the table below was measured using FASB ASC 820 input guidance and valuation techniques. The following table sets forth carrying amounts and estimated fair values for financial instruments measured and recorded at fair value on recurring bases at June 30:

	2024			
	Level I	Level II	Level III	Total
Fixed income	\$ 16,588,663	\$ -	\$ -	\$ 16,588,663
Equity funds	78,876,400	-	-	78,876,400
Mutual funds	48,262,189	-	-	48,262,189
Closely held stock	-	-	482,000	482,000
Total Investments	\$ 143,727,252	\$ -	\$ 482,000	\$ 144,209,252
	2023			
	Level I	Level II	Level III	Total
Fixed income	\$ 15,750,955	\$ -	\$ -	\$ 15,750,955
Equity funds	65,147,986	-	-	65,147,986
Mutual funds	45,413,905	-	-	45,413,905
Closely held stock	-	-	443,000	443,000
Total Investments	\$ 126,312,846	\$ -	\$ 443,000	\$ 126,755,846

For the years ended June 30, 2024 and 2023, the change in Level III assets and liabilities measured at fair value on a recurring basis:

	Closely Held Stock
Balance - June 30, 2022	\$ 423,000
Change in market value of Level III assets	20,000
Balance - June 30, 2023	443,000
Change in market value of Level III assets	39,000
Balance - June 30, 2024	\$ 482,000

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
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NOTE D – CONTRIBUTIONS RECEIVABLE

Unconditional contributions are recorded when the promise to contribute is made. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions received with donor-imposed restrictions (including those for acquisition of long-lived assets) that are met within the same year as received are reported as revenues of the without donor restrictions net asset class.

Unconditional contributions and outstanding pledges are generally due as follows:

	2024	2023
Unconditional promises expected to be collected in:		
Less than one year	\$ -	\$ 470,950
One to five years	-	-
	\$ -	\$ 470,950
Contributions receivable, net		

NOTE E – OPERATING LEASE

During the year ended June 30, 2015, the Foundation entered into a new operating lease for office space. The lease term is for 122 months beginning April 1, 2015. The lease calls for the annual rent to commence on June 1, 2015.

As of 6/30/2024, the Foundation has calculated an ROU asset in the amount of \$45,807 and the related lease liability in the amount of \$40,061 based on the present value of future lease payments over the lease term using the incremental borrowing rate of 4.75% to discount future lease payments.

The total lease cost was \$41,875 for the year ended June 30, 2024. Total cash flows from the operating lease were \$44,748 for the year ended June 30, 2024.

Future maturities of lease liabilities are as follows:

FYE	
June 30,	
2025	\$ 41,019
Less imputed interest	(958)
Total minimum future lease payments	\$ 40,061

NOTE F – SPLIT INTEREST AGREEMENTS

Charitable Remainder Split Interest Agreements

The Foundation serves as trustee for various charitable remainder trusts. Under the terms of these agreements, the Foundation makes specified distributions to designated beneficiaries for a given term or the life of the beneficiaries. Upon the termination of the trust (at the end of the term or upon the death of the beneficiaries), assets remaining in the trust will be transferred to the Foundation. The Foundation records the assets held in these trusts at their fair value based on current quoted market values and records the liability for the respective agreements at the estimated discounted value of the amounts due to the income beneficiaries and other charitable beneficiaries based on Internal Revenue Service group annuity tables. The present value of payments to beneficiaries under these agreements is calculated using discount rates representing risk-free rates in existence at the date of the gift. Gains or losses resulting from changes in the value of split interest agreements are recorded in the statement of activities.

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NOTE G – RETIREMENT PLAN

The Foundation has established a 401(k) defined contribution employee savings plan. The Foundation contributes up to 4% of an employee's compensation as a match for elective employee salary deferrals into the plan. Additionally, a Safe Harbor Contribution of 4% of the employee's compensation is made to each participant's account by the Foundation. During the years ended June 30, 2024 and 2023, the Foundation's contribution to these plans totaled \$66,019 and \$60,829 respectively.

NOTE H – DONATED SERVICES

No amounts have been recognized in the financial statements for donated services; however, the Board of Directors and other volunteers have donated significant time to the Foundation's mission.

NOTE I – CONCENTRATION OF CREDIT AND MARKET RISK

Financial instruments that potentially expose the Foundation to concentrations of credit and market risk consist primarily of cash and cash equivalents and marketable securities. Cash and cash equivalents are maintained at financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation to specific limits. Deposits may at times exceed federally insured limits and credit exposure is limited to deposits at any one institution in excess of this limit. The Foundation has not experienced any losses on its cash and cash equivalents. Marketable securities do not represent significant concentrations of market risk inasmuch as the Foundation's marketable securities portfolio is diversified among issuers.

NOTE J – NON-CASH TRANSACTIONS

The Foundation received contributions of stock in the amount of \$1,065,681 and \$1,134,310 for the years ended June 30, 2024 and 2023, respectively. Contributions of real estate were received in the amount of \$0 and \$138,000 for the years ended June 30, 2024 and 2023, respectively. These contributions have been treated as non-cash transactions for the purpose of the statement of cash flows.

NOTE K – TRANSACTIONS IN FUNDS HELD FOR AGENCIES

At June 30, 2024, the Foundation had 71 agency endowment funds. The agency endowments require accounting as funds held for agencies and had a combined value of \$16,064,084. At June 30, 2023, the Foundation had 68 agency endowment funds. The agency endowments require accounting as funds held for agencies and had a combined value of \$14,787,444.

The financial effects of transactions related to agency funds are recorded as changes in the funds held for agencies liability and are not included in the 2024 and 2023 Consolidated Statement of Activities.

COMMUNITY FOUNDATION OF CENTRAL GEORGIA, INC. AND SUBSIDIARIES
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NOTE K – TRANSACTIONS IN FUNDS HELD FOR AGENCIES (CONTINUED)

The changes in this other liability are summarized as follows:

	Fiscal Year Ended	
	June 30, 2024	June 30, 2023
Funds held for agencies, beginning balance	\$ 14,787,444	\$ 13,270,910
Additions		
Contributions	520,795	996,848
Investment results - net of fees	1,650,157	1,328,824
Total additions	<u>2,170,952</u>	<u>2,325,672</u>
Deductions		
Distributions - grants	731,700	683,960
Events and other expenses	51,824	24,220
Administrative fees	110,789	100,958
Total deductions	<u>894,313</u>	<u>809,138</u>
Funds held for agencies, ending balance	<u>\$ 16,064,083</u>	<u>\$ 14,787,444</u>

NOTE L – SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 30, 2024, which is the date these financial statements were available to be issued.