INDEPENDENT AUDITOR’S REPORT

June 7, 2023

To the Board of Directors of
Central New York Community Foundation, Inc. and Subsidiary:

Opinion
We have audited the accompanying consolidated financial statements of Central New York Community Foundation, Inc. (a nonprofit organization) and Subsidiary, which comprise the consolidated statement of financial position as of March 31, 2023, and the related consolidated statements of activities and change in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Central New York Community Foundation, Inc. and Subsidiary as of March 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Central New York Community Foundation, Inc. and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Central New York Community Foundation, Inc. and Subsidiary’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.
INDEPENDENT AUDITOR’S REPORT
(Continued)

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

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 consolidated 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 consolidated 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 Central New York Community Foundation, Inc. and Subsidiary’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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Central New York Community Foundation, Inc. and Subsidiary’s ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information
We have previously audited Central New York Community Foundation, Inc. and Subsidiary’s 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated June 2, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2022, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Bonadio & Co., LLP
# CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2023  
(With Comparative Totals for 2022)

## ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$3,332,995</td>
<td>$3,753,681</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>3,878,369</td>
<td>4,207,706</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>204,098</td>
<td>255,402</td>
</tr>
<tr>
<td>Investments</td>
<td>371,109,567</td>
<td>376,106,010</td>
</tr>
<tr>
<td>Program related investments</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>Split-interest agreements</td>
<td>7,592,044</td>
<td>8,525,678</td>
</tr>
<tr>
<td>Perpetual trust held by third party</td>
<td>1,256,234</td>
<td>1,430,051</td>
</tr>
<tr>
<td>Cash surrender value of life insurance</td>
<td>638,862</td>
<td>625,827</td>
</tr>
<tr>
<td>Real estate interests</td>
<td>340,000</td>
<td>58,275</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>3,803,823</td>
<td>3,954,234</td>
</tr>
<tr>
<td>Other assets</td>
<td>98,132</td>
<td>87,038</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$392,504,124</td>
<td>$399,253,902</td>
</tr>
</tbody>
</table>

## LIABILITIES AND NET ASSETS

### LIABILITIES:

<table>
<thead>
<tr>
<th>Description</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$197,371</td>
<td>$172,485</td>
</tr>
<tr>
<td>Split-interest agreements</td>
<td>3,796,984</td>
<td>4,427,977</td>
</tr>
<tr>
<td>Deferred compensation</td>
<td>389,498</td>
<td>386,979</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>95,376</td>
<td>103,779</td>
</tr>
<tr>
<td>Grants payable</td>
<td>2,528,279</td>
<td>1,506,626</td>
</tr>
<tr>
<td>Endowments held for other not-for-profit organizations</td>
<td>26,593,492</td>
<td>22,885,877</td>
</tr>
<tr>
<td>Note payable</td>
<td>1,204,375</td>
<td>1,779,671</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>34,805,375</td>
<td>31,263,394</td>
</tr>
</tbody>
</table>

### NET ASSETS:

#### Without donor restrictions -

<table>
<thead>
<tr>
<th>Description</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated by the governing board for long-term investment</td>
<td>63,299,229</td>
<td>71,722,076</td>
</tr>
<tr>
<td>Designated for donor advisement</td>
<td>150,159,753</td>
<td>149,360,009</td>
</tr>
<tr>
<td>Other net assets without donor restrictions</td>
<td>65,694,483</td>
<td>62,647,022</td>
</tr>
<tr>
<td><strong>Total without donor restrictions</strong></td>
<td>279,153,465</td>
<td>283,729,107</td>
</tr>
</tbody>
</table>

#### With donor restrictions

<table>
<thead>
<tr>
<th>Description</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total net assets</strong></td>
<td>357,698,749</td>
<td>367,990,508</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>$392,504,124</td>
<td>$399,253,902</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
CENTRAL NEW YORK COMMUNITY FOUNDATION, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2023
(With Comparative Totals for 2022)

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
<th>2022 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PUBLIC SUPPORT AND REVENUE:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public support - Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions 27,560,911$</td>
<td>$ 144,0973$</td>
<td>$ 29,001,884$</td>
<td>$ 34,271,834$</td>
<td></td>
</tr>
<tr>
<td>Change in value of split-interest agreements (75,179)</td>
<td>(227,462)</td>
<td>(302,641)</td>
<td>1,473,534</td>
<td></td>
</tr>
<tr>
<td>Revenue - Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income, net 2,665,347</td>
<td>642,828</td>
<td>3,308,175</td>
<td>3,150,630</td>
<td></td>
</tr>
<tr>
<td>Net gain / (loss) on investments (14,346,579)</td>
<td>(3,219,328)</td>
<td>(17,565,907)</td>
<td>13,938,248</td>
<td></td>
</tr>
<tr>
<td>Change in value of real estate interests -</td>
<td>281,725</td>
<td>281,725</td>
<td>24,975</td>
<td></td>
</tr>
<tr>
<td>Administrative management income on endowments held for other not-for-profit organizations 139,063</td>
<td>-</td>
<td>139,063</td>
<td>143,123</td>
<td></td>
</tr>
<tr>
<td>Other 180,670</td>
<td>-</td>
<td>180,670</td>
<td>192,804</td>
<td></td>
</tr>
<tr>
<td>16,124,233</td>
<td>(1,081,264)</td>
<td>15,042,969</td>
<td>53,195,148</td>
<td></td>
</tr>
<tr>
<td>Net assets released from restrictions 4,634,853</td>
<td>(4,634,853)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total public support and revenue 20,759,086</td>
<td>(5,716,117)</td>
<td>15,042,969</td>
<td>53,195,148</td>
<td></td>
</tr>
</tbody>
</table>

| EXPENSES:                      |                             |                          |             |               |
| Program services 22,967,366    | -                           | 22,967,366               | 20,051,330  |
| Supporting services 2,367,362  | -                           | 2,367,362                | 2,097,443   |
| Total expenses 25,334,728      | -                           | 25,334,728               | 22,148,773  |

| CHANGE IN NET ASSETS          |                             |                          |             |               |
| (4,575,642)                   | (5,716,117)                 | (10,291,759)             | 31,046,375  |

| NET ASSETS - beginning of year |                             |                          |             |               |
| 283,729,107                   | 84,261,401                  | 367,990,508              | 336,944,133 |

| NET ASSETS - end of year       |                             |                          |             |               |
| $ 279,153,465                 | $ 78,545,284                | $ 357,698,749            | $ 367,990,508 |

The accompanying notes are an integral part of these statements.
<table>
<thead>
<tr>
<th>Supporting Services</th>
<th>Program Services</th>
<th>Management and General</th>
<th>Fundraising</th>
<th>Total Supporting Services</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant expenses</td>
<td>$20,688,566</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$20,688,566</td>
</tr>
<tr>
<td>Salaries</td>
<td>1,145,950</td>
<td>800,232</td>
<td>578,035</td>
<td>1,378,267</td>
<td>2,524,217</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>80,628</td>
<td>55,301</td>
<td>39,891</td>
<td>95,192</td>
<td>175,820</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>168,969</td>
<td>99,445</td>
<td>75,802</td>
<td>175,247</td>
<td>344,216</td>
</tr>
<tr>
<td>Development and marketing</td>
<td>6,607</td>
<td>8,774</td>
<td>142,303</td>
<td>151,077</td>
<td>157,684</td>
</tr>
<tr>
<td>Occupancy</td>
<td>68,231</td>
<td>31,866</td>
<td>18,660</td>
<td>50,526</td>
<td>118,757</td>
</tr>
<tr>
<td>Professional fees</td>
<td>230,129</td>
<td>60,192</td>
<td>49,798</td>
<td>109,990</td>
<td>340,119</td>
</tr>
<tr>
<td>Depreciation</td>
<td>173,959</td>
<td>64,148</td>
<td>41,395</td>
<td>105,543</td>
<td>279,502</td>
</tr>
<tr>
<td>Conferences and meetings</td>
<td>73,089</td>
<td>33,137</td>
<td>47,544</td>
<td>80,681</td>
<td>153,770</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>105,105</td>
<td>58,981</td>
<td>36,346</td>
<td>95,327</td>
<td>200,432</td>
</tr>
<tr>
<td>Insurance</td>
<td>28,301</td>
<td>10,436</td>
<td>6,734</td>
<td>17,170</td>
<td>45,471</td>
</tr>
<tr>
<td>Interest</td>
<td>29,931</td>
<td>11,037</td>
<td>7,122</td>
<td>18,159</td>
<td>48,090</td>
</tr>
<tr>
<td>Postage, printing and supplies</td>
<td>36,157</td>
<td>22,608</td>
<td>37,694</td>
<td>60,302</td>
<td>96,459</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>131,744</td>
<td>17,191</td>
<td>12,690</td>
<td>29,881</td>
<td>161,625</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$22,967,366</strong></td>
<td><strong>$1,273,348</strong></td>
<td><strong>$1,094,014</strong></td>
<td><strong>$2,367,362</strong></td>
<td><strong>$25,334,728</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
# CENTRAL NEW YORK COMMUNITY FOUNDATION, INC. AND SUBSIDIARY

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

(With Comparative Totals for 2022)

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOW FROM OPERATING ACTIVITIES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$(10,291,759)</td>
<td>$31,046,375</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash flow from operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>279,502</td>
<td>273,423</td>
</tr>
<tr>
<td>Net (gain) / loss on investments</td>
<td>17,565,907</td>
<td>(13,938,248)</td>
</tr>
<tr>
<td>Change in value of split-interest agreements</td>
<td>933,634</td>
<td>(3,029,150)</td>
</tr>
<tr>
<td>Change in value of perpetual trust held by third party</td>
<td>173,817</td>
<td>32,089</td>
</tr>
<tr>
<td>Change in cash surrender value of life insurance</td>
<td>(13,035)</td>
<td>(30,721)</td>
</tr>
<tr>
<td>Real estate interest</td>
<td>(281,725)</td>
<td>(24,975)</td>
</tr>
<tr>
<td>Changes in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>329,337</td>
<td>582,368</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>51,304</td>
<td>271,294</td>
</tr>
<tr>
<td>Other assets</td>
<td>(11,094)</td>
<td>25,836</td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>24,886</td>
<td>(46,007)</td>
</tr>
<tr>
<td>Liabilities under split-interest agreements</td>
<td>(630,993)</td>
<td>1,555,616</td>
</tr>
<tr>
<td>Deferred compensation</td>
<td>2,519</td>
<td>36,103</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(8,403)</td>
<td>(9,996)</td>
</tr>
<tr>
<td>Grants payable</td>
<td>1,021,653</td>
<td>(63,157)</td>
</tr>
<tr>
<td>Endowments held for other not-for-profit organizations</td>
<td>3,707,615</td>
<td>1,008,793</td>
</tr>
<tr>
<td>Net cash flow from operating activities</td>
<td>12,853,165</td>
<td>17,689,643</td>
</tr>
<tr>
<td><strong>CASH FLOW FROM INVESTING ACTIVITIES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>(129,091)</td>
<td>(69,939)</td>
</tr>
<tr>
<td>Proceeds from sales and maturities of investments</td>
<td>19,776,057</td>
<td>46,503,648</td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(32,345,521)</td>
<td>(62,885,351)</td>
</tr>
<tr>
<td>Net cash flow from investing activities</td>
<td>(12,698,555)</td>
<td>(16,451,642)</td>
</tr>
<tr>
<td><strong>CASH FLOW FROM FINANCING ACTIVITIES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments on note payable</td>
<td>(575,296)</td>
<td>(557,969)</td>
</tr>
<tr>
<td>Net cash flow from financing activities</td>
<td>(575,296)</td>
<td>(557,969)</td>
</tr>
<tr>
<td><strong>CHANGE IN CASH AND CASH EQUIVALENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(420,686)</td>
<td>680,032</td>
<td></td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS - beginning of year</strong></td>
<td>3,753,681</td>
<td>3,073,649</td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS - end of year</strong></td>
<td>$3,332,995</td>
<td>$3,753,681</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these statements.
1. THE ORGANIZATION

Central New York Community Foundation, Inc. is a not-for-profit, autonomous, publicly supported, philanthropic institution organized and operated primarily as a collection of charitable funds for the long-term benefit of the Central New York area. Central New York Community Foundation, Inc.’s primary service is to receive, manage and disburse charitable funds.

CNY Philanthropy Center, LLC was incorporated in New York State to hold real property located at 431 E. Fayette Street in Syracuse, New York. This property is the home of Central New York Community Foundation, Inc., and a center for philanthropy.

Central New York Community Foundation and CNY Philanthropy Center, LLC share certain common Board members and management.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation
The consolidated financial statements include the accounts of Central New York Community Foundation, Inc. and CNY Philanthropy Center, LLC (collectively the Community Foundation). In accordance with generally accepted accounting principles (GAAP), all significant intercompany transactions and balances have been eliminated in consolidation.

Financial Reporting
The Community Foundation reports its activities and the related net assets using the following categories:

- **Net Assets Without Donor Restrictions**
  Net assets without donor restrictions are those over which the Board of Directors of the Community Foundation retains control to use in achieving its institutional mission.

- **Net Assets With Donor Restrictions**
  Net assets whose use by the Community Foundation is limited by donor-imposed stipulations that do not expire, donor-imposed stipulations that expire by the passage of time, or donor-imposed stipulations that can be fulfilled or removed by actions of the Community Foundation pursuant to those stipulations. In the case where the donor-imposed stipulation does not expire, the Community Foundation uses all or part of the investment return in accordance with donor wishes.

**Cash and Cash Equivalents**
Cash and cash equivalents include bank demand deposit accounts and money market funds, which, at times, may exceed federally insured limits. The Community Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to its cash and cash equivalents. The Community Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable
Accounts receivable mainly consist of amounts outstanding under the terms of several wills. If collection becomes doubtful, an allowance for doubtful accounts will be established or the accounts will be charged to income when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received. Management reviews the collectability of accounts receivable annually. The Community Foundation considers accounts receivable to be fully collectible.

Pledges Receivable
Pledges receivable represent amounts due to the Community Foundation under the terms of unconditional promises to give. The Community Foundation provides an allowance for doubtful pledges based upon management’s review of outstanding pledges. No allowance for doubtful pledges was considered necessary at March 31, 2023 or 2022.

The difference between the carrying amount and present value of the pledges receivable is not considered material to the accompanying consolidated financial statements and has not been recorded by management.

Investments
Investments in marketable equity and debt securities with readily determinable market values are recorded at fair value based on quoted market prices. The fair value of other investments for which readily determinable market values do not exist, including hedge funds and funds of funds, limited partnerships, and pooled investment funds are recorded at fair value as determined by the Community Foundation with the assistance of external investment managers using methods and significant assumptions the Community Foundation considers appropriate based on its understanding of the underlying characteristics of the investments. Investment income, net (including realized gains and losses on investments, unrealized gains and losses on investments, interest, and dividends, net of investment fees) is included in revenue without donor restrictions unless restricted by donor or law.

The Community Foundation maintains an investment pool for its charitable funds. Realized and unrealized gains and losses from investments are allocated monthly to the individual funds based on the relationship of the market value of each fund to the total market value of the investment pool, as adjusted for additions to or deductions from the pool.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the consolidated statement of financial position.

Program Related Investments
Program related investments are investments that may not have been made were it not for the relationship of the investment to the Community Foundation’s programmatic mission. The purpose of the Community Foundation’s program related investments does not include appreciation or production of income, and investments must be consistent with the Community Foundation’s mission. The Community Foundation records program related investments at cost, which approximates fair value, and evaluates for impairment annually. Currently, the Community Foundation is invested at a Syracuse-based nonprofit Community Development Financial Institution. Program related investments at March 31, 2023 and 2022 were $250,000.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Split-Interest Agreements
The Community Foundation is a beneficiary of various trusts and other split-interest agreements. The Community Foundation's beneficial interest is measured at the discounted value of its expected future cash flows and is reported as net assets with donor restrictions. Liabilities are recorded at the present value of future cash flows, using discount rates ranging from 4.6% to 7.0%, and are expected to be paid to the designated beneficiary or beneficiaries. At the end of the trust and other split-interest agreements, the remaining assets will become available for the Community Foundation's use.

Perpetual Trust Held by Third Party
The assets held under this agreement are recorded at fair value based on quoted market prices of the underlying investments. Contribution revenue is recognized as support with donor restrictions at the present value of the estimated future cash receipts from the trust's assets. Under the terms of the trust, the Community Foundation has the irrevocable right to receive the income earned on the trust's assets in perpetuity; however, the Community Foundation will not receive the assets held in trust.

Fair Value Measurement
GAAP 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 observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Community Foundation. Unobservable inputs are inputs that reflect the Community Foundation's assumptions that market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- **Level 1**: Valuations based on quoted prices in active markets for identical assets or liabilities that the Community Foundation has the ability to access. Valuation adjustments 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 quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.

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

The availability of observable inputs can vary and is affected by a wide variety of factors. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement (Continued)
The following valuation techniques were used to measure fair value of assets as of March 31, 2023 and 2022:

- **Common stocks** - Fair value of common stock is based on closing price reported in the active market on which the individual securities are traded and utilizes level 1 inputs.

- **Equity and bond mutual funds** - Fair value of mutual funds is based on quoted market prices utilizing level 1 inputs.

- **Limited partnerships** - Fair value of the Community Foundation’s partnership interests are valued based on the underlying investments within each partnership and the Community Foundation’s percentage ownership in each partnership. Limited partnerships utilize level 3 inputs.

- **U.S. Treasury and governmental agency obligations** - Fair value of U.S. Treasury and governmental agency obligations is based on quoted market prices utilizing level 1 inputs.

- **Corporate bonds** - Fair value of corporate bonds is determined by entering standard inputs into a pricing model. These inputs, listed in order of priority, include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, benchmark securities, bids, offers, reference data and industry and economic events. Corporate bonds utilize level 2 inputs.

- **Split-interest agreements (Charitable remainder unitrusts, charitable remainder annuity trusts, and charitable gift annuities)** - Fair value of the split-interest agreements are derived using the present value of expected future cash flows of the Community Foundation’s interest in charitable remainder unitrusts, charitable remainder annuity trusts and charitable gift annuities using prevailing market rates and IRS published mortality rates. Split-interest agreements utilize level 1 and 3 inputs.

- **Pooled life income fund** - Fair value of the pooled life income fund is based on the Community Foundation’s percent ownership of the fund’s assets. The fund’s assets are valued based on quoted market prices for identical securities utilizing level 1 inputs. These assets are included in split-interest agreements in the accompanying consolidated statement of financial position.

- **Perpetual trust held by third party** - Fair value of the perpetual trust held by third party is based on quoted market prices of the underlying investments utilizing level 1 inputs.

There were no changes to the valuation techniques during 2023 or 2022.

**Cash Surrender Value of Life Insurance**
The Community Foundation receives various donations of life insurance policies, where the Community Foundation is both the owner and the beneficiary of the policies. Life insurance is recorded at the cash surrender value as provided to the Community Foundation by the insurer. Annual premiums on the policies paid by the donors to the Community Foundation are recorded as donations without donor restrictions.

The face value of the donated life insurance policies was approximately $3,379,000 and $1,479,000 at March 31, 2023 and 2022, respectively.
2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Real Estate Interests**
The Community Foundation has interests in parcels of real estate with several other companies, which are recorded at the appraised value, net of related debt.

**Property and Equipment**
Property and equipment is recorded at fair market value at date of donation or at cost if purchased. The Community Foundation capitalizes property and equipment in excess of $5,000 with a useful life greater than two years. Depreciation expense is calculated using the straight-line method over the estimated useful lives of the assets which range from three to forty years.

**Revenue Recognition**
Contributions are recognized as revenue in the year an unconditional promise to give is received and are recorded at fair value. Contributions are recorded as support without donor restrictions or with donor restrictions, depending on the nature of the donor-imposed restrictions. When a donor-imposed restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions. Donor-imposed restricted contributions whose restrictions are met within the same year as received are reflected as contributions without donor restrictions in the accompanying consolidated financial statements.

**Endowments Held for Other Not-For-Profit Organizations**
The Community Foundation accepts funds from, and holds certain assets for the benefit of, other not-for-profit organizations. These funds are not considered assets of the Community Foundation and therefore are shown as endowments held for other not-for-profit organizations in the consolidated statement of financial position.

**Funds Designated for Donor Advisement**
The Community Foundation maintains certain funds that are "designated for donor advisement" as noted on the consolidated statement of financial position within net assets without donor restrictions (see Note 13). The Community Foundation charges these funds a management fee, which is transferred to the operating fund within other net assets without donor restrictions. These transfers amounted to $730,071 and $734,234 in 2023 and 2022, respectively.

**Donor Restrictions**
Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions in the consolidated statements of activities and change in net assets.

**Gifts-In-Kind**
Gifts of real property and donations other than cash are recognized at their fair value in the period received. It is the Community Foundation's policy to sell gifts of real property and investments immediately. The Community Foundation did not receive any gifts-in-kind in 2023 or 2022.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Services
A substantial number of volunteers have made significant contributions of their time to the Community Foundation. The value of this contributed time is not reflected in the consolidated financial statements as it does not meet the criteria for recognition.

Grants
Grants are recorded as an expense of the Community Foundation when they are approved by the Board of Directors.

Allocation of Certain Expenses
The consolidated financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. Those expenses include salaries, payroll taxes, employee benefits, depreciation, and occupancy related costs. Salaries, payroll taxes and employee benefits are allocated based on time spent on program activities and time spent on supporting activities. Depreciation and occupancy related expenses are allocated based on square footage used.

Wills, Trusts and Estates
The Community Foundation is the beneficiary under various will and trust agreements, the total realizable value of which is not presently determinable; therefore, these amounts are not recorded until the donor is deceased and no longer able to change their beneficiary.

Investment Fees
Net investment returns include certain fees paid by the various investment funds to their affiliated investment advisor, transfer agents and others as described in each fund prospectus or other published documents. These fees are deducted prior to allocation of the Community Foundation’s investment earnings activity and thus not separately identifiable as an expense.

Income Taxes
The Community Foundation is exempt from federal income tax 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) of the Code.

CNY Philanthropy Center, LLC is a single member limited liability company and as such, is a disregarded entity for federal and state income tax purposes.

Use of Estimates
The preparation of consolidated financial statements in accordance with 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.

Comparative Information
The consolidated financial statements include certain prior-year summarized information in total but not by net asset class or functional expense classification. Such information does not include sufficient detail to constitute a presentation in accordance with GAAP. Accordingly, such information should be read in conjunction with the Community Foundation’s consolidated financial statements for the year ended March 31, 2022, from which the summarized information was derived.

Reclassifications
Certain reclassifications have been made to the 2022 financial statements to conform to the current year presentation.
3. LIQUIDITY

The following reflects the Community Foundation’s financial assets available to meet cash needs for general expenditures within one year as of March 31:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 3,332,995</td>
<td>$ 3,753,681</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>3,878,369</td>
<td>4,207,706</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>204,098</td>
<td>255,402</td>
</tr>
<tr>
<td>Investments</td>
<td>371,109,567</td>
<td>376,106,010</td>
</tr>
<tr>
<td>Program related investments</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>Split-interest agreements</td>
<td>7,592,044</td>
<td>8,525,678</td>
</tr>
<tr>
<td>Perpetual trust held by third party</td>
<td>1,256,234</td>
<td>1,430,051</td>
</tr>
<tr>
<td>Cash surrender value of life insurance</td>
<td>638,862</td>
<td>625,827</td>
</tr>
<tr>
<td><strong>Financial assets, at year end</strong></td>
<td><strong>388,262,169</strong></td>
<td><strong>395,154,355</strong></td>
</tr>
</tbody>
</table>

Less those unavailable for general expenditures within one year, due to:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments with limits on liquidation</td>
<td>4,171,762</td>
<td>4,859,178</td>
</tr>
<tr>
<td>Board designations (quasi-endowment)</td>
<td>63,299,229</td>
<td>71,722,076</td>
</tr>
<tr>
<td>Designated for donor advisement</td>
<td>150,159,753</td>
<td>149,360,009</td>
</tr>
<tr>
<td>Restricted by donors with time restrictions</td>
<td>4,029,153</td>
<td>4,243,580</td>
</tr>
<tr>
<td>Restricted by donors with purpose restrictions</td>
<td>67,027,540</td>
<td>72,355,431</td>
</tr>
<tr>
<td>Restricted by donors in perpetuity</td>
<td>7,488,591</td>
<td>7,662,390</td>
</tr>
<tr>
<td>Endowments held for other not-for-profit organizations</td>
<td>26,593,492</td>
<td>22,885,877</td>
</tr>
<tr>
<td><strong>Total amounts unavailable for general expenditures within one year</strong></td>
<td><strong>322,769,520</strong></td>
<td><strong>333,088,541</strong></td>
</tr>
</tbody>
</table>

Financial assets available to meet cash needs for general expenditures within one year

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 65,492,649</td>
<td>$ 62,065,814</td>
</tr>
</tbody>
</table>

The Community Foundation has a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due.

The Community Foundation’s financial assets as of March 31, 2023 and 2022 are reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include amounts set aside for long-term investing in the quasi-endowment that could be drawn upon if the governing board approves that action. However, amounts already appropriated from either the donor-restricted endowment or quasi-endowment for general expenditure within one year of the consolidated statement of financial position date have not been subtracted as unavailable.
4. PLEDGES RECEIVABLE

Pledges receivable are due as follows for the fiscal year ending March 31:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$185,853</td>
</tr>
<tr>
<td>2025</td>
<td>15,030</td>
</tr>
<tr>
<td>2026</td>
<td>2,855</td>
</tr>
<tr>
<td>2027</td>
<td>280</td>
</tr>
<tr>
<td>2028</td>
<td>80</td>
</tr>
</tbody>
</table>

Total: $204,098

5. INVESTMENTS

Investments consisted of the following at March 31:

<table>
<thead>
<tr>
<th>Investment Description</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$11,521,395</td>
<td>$6,067,138</td>
</tr>
<tr>
<td>Common stocks</td>
<td>7,403,364</td>
<td>12,236,873</td>
</tr>
<tr>
<td>Equity mutual funds</td>
<td>82,076,084</td>
<td>100,163,568</td>
</tr>
<tr>
<td>Bond mutual funds</td>
<td>25,012,926</td>
<td>25,289,824</td>
</tr>
<tr>
<td>Limited partnerships</td>
<td>25,179,555</td>
<td>27,438,402</td>
</tr>
<tr>
<td>U.S. Treasury and governmental agency obligations</td>
<td>4,601,961</td>
<td>4,973,948</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>6,880,512</td>
<td>7,244,386</td>
</tr>
<tr>
<td>Hedge funds and funds of funds</td>
<td>70,297,384</td>
<td>56,919,437</td>
</tr>
<tr>
<td>Pooled investment funds</td>
<td>138,136,386</td>
<td>135,772,434</td>
</tr>
</tbody>
</table>

Total: $371,109,567

Total: $376,106,010

Investment management fees were approximately $1,797,000 and $2,251,000 for the years ended March 31, 2023 and 2022, respectively. These fees have been included in "investment income, net" in the accompanying consolidated statement of activities and change in net assets.
6. **FAIR VALUE MEASUREMENTS**

The following are measured at fair value on a recurring basis at March 31, 2023:

<table>
<thead>
<tr>
<th>Description</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stocks</td>
<td>$7,403,364</td>
<td>-</td>
<td>-</td>
<td>7,403,364</td>
</tr>
<tr>
<td>Equity mutual funds</td>
<td>82,076,084</td>
<td>-</td>
<td>-</td>
<td>82,076,084</td>
</tr>
<tr>
<td>Bond mutual funds</td>
<td>25,012,926</td>
<td>-</td>
<td>-</td>
<td>25,012,926</td>
</tr>
<tr>
<td>Limited partnerships</td>
<td>-</td>
<td>-</td>
<td>25,179,555</td>
<td>25,179,555</td>
</tr>
<tr>
<td>U.S. Treasury and governmental agency obligations</td>
<td>-</td>
<td>-</td>
<td>4,601,961</td>
<td>4,601,961</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>-</td>
<td>6,880,512</td>
<td>-</td>
<td>6,880,512</td>
</tr>
<tr>
<td><strong>Total investments, at fair value</strong></td>
<td>119,094,335</td>
<td>6,880,512</td>
<td>25,179,555</td>
<td>151,154,402</td>
</tr>
<tr>
<td>Investments measured at net asset value (NAV)</td>
<td></td>
<td></td>
<td></td>
<td>208,433,770</td>
</tr>
<tr>
<td><strong>Total investments</strong></td>
<td></td>
<td></td>
<td></td>
<td>359,588,172</td>
</tr>
<tr>
<td>Perpetual trust held by third party</td>
<td>1,256,234</td>
<td>-</td>
<td>-</td>
<td>1,256,234</td>
</tr>
<tr>
<td>Split-interest agreements:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beneficial interest in split-interest agreements</td>
<td>-</td>
<td>-</td>
<td>3,375,714</td>
<td>3,375,714</td>
</tr>
<tr>
<td>Assets in split-interest agreements</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity mutual funds</td>
<td>2,438,105</td>
<td>-</td>
<td>-</td>
<td>2,438,105</td>
</tr>
<tr>
<td>Bond mutual funds</td>
<td>1,778,225</td>
<td>-</td>
<td>-</td>
<td>1,778,225</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,472,564</td>
<td>-</td>
<td>3,375,714</td>
<td>8,848,278</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>124,566,899</td>
<td>6,880,512</td>
<td>28,555,269</td>
<td>368,436,450</td>
</tr>
</tbody>
</table>

The following are measured at fair value on a recurring basis at March 31, 2022:

<table>
<thead>
<tr>
<th>Description</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stocks</td>
<td>$12,236,873</td>
<td>-</td>
<td>-</td>
<td>12,236,873</td>
</tr>
<tr>
<td>Equity mutual funds</td>
<td>100,163,568</td>
<td>-</td>
<td>-</td>
<td>100,163,568</td>
</tr>
<tr>
<td>Bond mutual funds</td>
<td>25,289,824</td>
<td>-</td>
<td>-</td>
<td>25,289,824</td>
</tr>
<tr>
<td>Limited partnerships</td>
<td>-</td>
<td>-</td>
<td>27,438,402</td>
<td>27,438,402</td>
</tr>
<tr>
<td>U.S. Treasury and governmental agency obligations</td>
<td>4,973,948</td>
<td>-</td>
<td>-</td>
<td>4,973,948</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>-</td>
<td>7,244,386</td>
<td>-</td>
<td>7,244,386</td>
</tr>
<tr>
<td><strong>Total investments, at fair value</strong></td>
<td>142,664,213</td>
<td>7,244,386</td>
<td>27,438,402</td>
<td>177,347,001</td>
</tr>
<tr>
<td>Investments measured at net asset value (NAV)</td>
<td></td>
<td></td>
<td></td>
<td>192,691,871</td>
</tr>
<tr>
<td><strong>Total investments</strong></td>
<td></td>
<td></td>
<td></td>
<td>370,038,872</td>
</tr>
<tr>
<td>Perpetual trust held by third party</td>
<td>1,430,051</td>
<td>-</td>
<td>-</td>
<td>1,430,051</td>
</tr>
<tr>
<td>Split-interest agreements:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beneficial interest in split-interest agreements</td>
<td>-</td>
<td>-</td>
<td>3,826,512</td>
<td>3,826,512</td>
</tr>
<tr>
<td>Assets in split-interest agreements</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity mutual funds</td>
<td>2,720,359</td>
<td>-</td>
<td>-</td>
<td>2,720,359</td>
</tr>
<tr>
<td>Bond mutual funds</td>
<td>1,978,807</td>
<td>-</td>
<td>-</td>
<td>1,978,807</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,129,217</td>
<td>-</td>
<td>3,826,512</td>
<td>9,955,729</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>148,793,430</td>
<td>7,244,386</td>
<td>31,264,914</td>
<td>379,994,601</td>
</tr>
</tbody>
</table>
6. FAIR VALUE MEASUREMENTS (Continued)

Level 3 Measurements
Management determines the fair value measurement valuation policies and procedures, including those for Level 3 recurring measurements. The Community Foundation’s Board of Directors assesses and approves these policies and procedures. At least annually, Management: (1) determines if the current valuation techniques used in fair value measurements are still appropriate, and (2) evaluates and adjusts the unobservable inputs used in the fair value measurements based on current market conditions and third-party information.

Limited Partnerships
At March 31, 2023, the Community Foundation invests in ten limited partnerships that invest in equity securities, debt and debt-like securities (both privately and publicly traded), secured and unsecured loans, and real estate partnerships. Interests in limited partnerships are based on valuations per share provided by the general partners of the respective partnership as of March 31, 2023, adjusted for cash receipts, cash disbursements, and securities distributions through March 31, 2023. Investments in this category for which there is no readily determinable fair value are classified as level 3 as the valuation is based on significant unobservable inputs. Limited partnerships, valued at $16,135,152 at March 31, 2023, are ineligible for redemptions until such time and in such amounts as determined by the General Partners. When the underlying assets are sold, the proceeds, less any incentives due the General Partners, will be distributed to the Limited Partners. There are no other known circumstances under which these investments might be unredeemable. At March 31, 2023, there are unfunded commitments on limited partnerships totaling $3,875,282.

The Community Foundation had purchases and sales of its level 3 limited partnerships totaling $529,070 and $266,273, respectively for the year ended March 31, 2023. The Community Foundation had purchases and sales of its level 3 limited partnerships totaling $29,406,976 and $1,248,106, respectively for the year ended March 31, 2022.

Beneficial Interest in Split Interest Agreements
The Community Foundation invests in five split interest agreements that invest in equity securities of companies operating within charitable remainder unitrust investment funds in which the Community Foundation is not the trustee. Investments in this category are classified as level 3 due to the illiquidity of the funds as redemptions are not permitted during the life of the funds.

The Community Foundation had no purchases or sales of its level 3 beneficial interest in split interest agreements for the fiscal year ended March 31, 2023. The Community Foundation had purchases of $1,900,920 and no sales of its level 3 beneficial interest in split interest agreements for the fiscal year ended March 31, 2022.
6. **FAIR VALUE MEASUREMENTS (Continued)**

**Net Asset Value**
The Community Foundation had the following investments that are valued using net asset value at March 31, 2023:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fair Value</th>
<th>Unfunded Commitments</th>
<th>Redemption Frequency (if Currently Eligible)</th>
<th>Redemption Notice Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hedge funds and funds of funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liquid</td>
<td>$51,612,182</td>
<td>$</td>
<td>Monthly - Annual</td>
<td>30 - 180 days</td>
</tr>
<tr>
<td>Illiquid</td>
<td>18,685,202</td>
<td>8,067,955</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pooled investment funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equities - liquid</td>
<td>76,704,002</td>
<td>-</td>
<td>Monthly - Quarterly</td>
<td>10 - 90 days</td>
</tr>
<tr>
<td>Fixed income - liquid</td>
<td>15,283,505</td>
<td>-</td>
<td>Bi-Monthly</td>
<td>5 days</td>
</tr>
<tr>
<td>Emerging/ global equities - liquid</td>
<td>46,148,879</td>
<td>-</td>
<td>Monthly - Annual</td>
<td>30 - 180 days</td>
</tr>
<tr>
<td>Total</td>
<td>$208,433,770</td>
<td>$8,067,955</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Community Foundation had the following investments that are valued using net asset value at March 31, 2022:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fair Value</th>
<th>Unfunded Commitments</th>
<th>Redemption Frequency (if Currently Eligible)</th>
<th>Redemption Notice Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hedge funds and funds of funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liquid</td>
<td>$41,584,939</td>
<td>$</td>
<td>Monthly - Annual</td>
<td>30 - 180 days</td>
</tr>
<tr>
<td>Illiquid</td>
<td>15,334,498</td>
<td>8,665,088</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pooled investment funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equities - liquid</td>
<td>76,054,011</td>
<td>-</td>
<td>Monthly - Quarterly</td>
<td>30 - 90 days</td>
</tr>
<tr>
<td>Fixed income - liquid</td>
<td>16,576,192</td>
<td>-</td>
<td>Bi-Monthly</td>
<td>5 days</td>
</tr>
<tr>
<td>Emerging/ global equities - liquid</td>
<td>43,142,231</td>
<td>-</td>
<td>Monthly - Annual</td>
<td>30 - 180 days</td>
</tr>
<tr>
<td>Total</td>
<td>$192,691,871</td>
<td>$8,665,088</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Hedge Funds and Funds of Funds**
At March 31, 2023, the Community Foundation invests in twenty-eight hedge funds and funds of funds that pursue multiple strategies to diversify risks and reduce volatility. The fair values of these investments have been estimated using the net asset value per share of the investments as provided by the fund managers. These funds invest in private, primarily via pooled vehicles, offered by professional investment managers. Eight of these investments are subject to an initial lock-up period that prohibits redemption for the first two to three years after purchase. Redemptions can be made quarterly or annually after the initial lock-up period has lapsed, at which time redemptions are allowed with 30 to 180 days’ notice. There are no unfunded commitments for these funds at March 31, 2023. For the remaining twenty investments, redemptions may not be made. There were unfunded commitments for these funds of $8,067,955 at March 31, 2023.
6. FAIR VALUE MEASUREMENTS (Continued)

Pooled Investment Funds

Pooled investment funds consist of the Community Foundation’s investments in limited liability companies and limited partnerships for the purpose of long-term growth. The fair values of these investments have been estimated using the net asset value per share of the investments as provided by the fund managers. At March 31, 2023, all pooled investment funds are available for redemption within one year of the balance sheet date. Redemptions can be made monthly, bi-monthly or quarterly with 5 to 180 days’ notice. There are no unfunded commitments for these funds.

7. SPLIT-INTEREST AGREEMENTS

Split-interest agreements consisted of the following at March 31:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Asset</td>
<td>Liability</td>
</tr>
<tr>
<td>Charitable remainder trusts</td>
<td>$6,424,342</td>
<td>$3,269,109</td>
</tr>
<tr>
<td>Pooled life income fund</td>
<td>458,466</td>
<td>223,408</td>
</tr>
<tr>
<td>Charitable gift annuities</td>
<td>709,236</td>
<td>304,467</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$7,592,044</strong></td>
<td><strong>$3,796,984</strong></td>
</tr>
</tbody>
</table>

8. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of March 31:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$253,775</td>
<td>$253,775</td>
</tr>
<tr>
<td>Land improvements</td>
<td>55,856</td>
<td>55,856</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>1,129,103</td>
<td>1,000,012</td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>5,882,328</td>
<td>5,882,328</td>
</tr>
<tr>
<td></td>
<td>7,321,062</td>
<td>7,191,971</td>
</tr>
<tr>
<td>Less: Accumulated depreciation</td>
<td>(3,517,239)</td>
<td>(3,237,737)</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td><strong>$3,803,823</strong></td>
<td><strong>$3,954,234</strong></td>
</tr>
</tbody>
</table>

Depreciation expense amounted to $279,502 and $273,423 in 2023 and 2022, respectively.

9. DEFERRED COMPENSATION

The Community Foundation sponsors a deferred compensation plan for key employees. The assets of the deferred compensation plans will be distributed at the earlier of termination of employment, retirement, at age 70½ years, or death. The liability for deferred compensation plans amounted to $389,498 and $386,979 at March 31, 2023 and 2022, respectively.
10. GRANTS PAYABLE

Grants payable consisted of unconditional promises to give to other organizations, which had not been paid as of March 31, 2023. These amounts are payable as follows in the years ending March 31:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$1,345,362</td>
</tr>
<tr>
<td>2025</td>
<td>$529,705</td>
</tr>
<tr>
<td>2026</td>
<td>$389,953</td>
</tr>
<tr>
<td>2027</td>
<td>$258,753</td>
</tr>
<tr>
<td>2028</td>
<td>$2,253</td>
</tr>
<tr>
<td>Thereafter</td>
<td>$2,253</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

11. ENDOWMENTS HELD FOR OTHER NOT-FOR-PROFIT ORGANIZATIONS

The Community Foundation accepts funds from, and holds funds for the benefit of, other not-for-profit organizations. These funds are not considered assets of the Community Foundation and therefore are shown as “Endowments held for other not-for-profit organizations” in the accompanying consolidated statement of financial position.

Total endowments held for other not-for-profit organizations activity consisted of the following for the years ended March 31:

<table>
<thead>
<tr>
<th>Year</th>
<th>Contributions</th>
<th>Investment activity</th>
<th>Grants</th>
<th>Net change in endowments held for other not-for-profit organizations</th>
<th>Endowments held for other not-for-profit organizations - beginning of year</th>
<th>Endowments held for other not-for-profit organizations - end of year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$6,166,838</td>
<td>(674,485)</td>
<td>(1,784,738)</td>
<td>3,707,615</td>
<td><strong>22,885,877</strong></td>
<td><strong>26,593,492</strong></td>
</tr>
<tr>
<td>2023</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>$4,092,782</td>
<td>1,078,516</td>
<td>(4,162,505)</td>
<td>1,008,793</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12. NOTE PAYABLE

The CNY Philanthropy Center, LLC has a note payable with a bank. The note requires quarterly payments of $155,846 including interest at 3.03% through January 2025. This note payable is secured by certain assets of the Community Foundation. Required future principal payments are as follows in the fiscal years ending March 31:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$593,225</td>
</tr>
<tr>
<td>2025</td>
<td>611,150</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>
12. NOTE PAYABLE (Continued)

Supplemental Cash Flow Information
Interest paid and expensed during 2023 and 2022 on the note payable was $48,090 and $65,416, respectively.

13. NET ASSETS

Included in net assets without donor restrictions is $150,159,753 and $149,360,009 of donor advised funds at March 31, 2023 and 2022, respectively. Grant recommendations are accepted from the donors or other advisors of these funds, although the Community Foundation retains variance power; therefore, the ultimate discretion of the use of these funds lies with the Board of Directors of the Community Foundation. Thus, such funds represent net assets without donor restrictions of the Community Foundation.

The Community Foundation’s Board of Directors has designated $63,299,229 and $71,722,076 of net assets without donor restrictions as Board designated endowment at March 31, 2023 and 2022, respectively.

Net assets with donor restrictions consisted of the following at March 31:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable remainder trusts - time restriction</td>
<td>$3,155,233</td>
<td>$3,387,812</td>
</tr>
<tr>
<td>Pooled life income fund - time restriction</td>
<td>235,058</td>
<td>229,941</td>
</tr>
<tr>
<td>Cash surrender value of life insurance - time restriction</td>
<td>638,862</td>
<td>625,827</td>
</tr>
<tr>
<td>Scholarships - purpose restrictions</td>
<td>51,758,913</td>
<td>55,745,478</td>
</tr>
<tr>
<td>Field of interest - purpose restrictions</td>
<td>7,531,912</td>
<td>8,279,668</td>
</tr>
<tr>
<td>Perpetual</td>
<td>7,488,591</td>
<td>7,662,390</td>
</tr>
<tr>
<td>Other - purpose restrictions</td>
<td>7,736,715</td>
<td>8,330,285</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$78,545,284</strong></td>
<td><strong>84,261,401</strong></td>
</tr>
</tbody>
</table>

During 2023 and 2022, approximately $4,635,000 and $5,312,000, respectively, was released from restriction through the passage of time and satisfaction of donor restrictions.

14. ENDOWMENT FUNDS

The Community Foundation’s endowment net assets consist of the following at March 31, 2023:

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board designated endowment funds</td>
<td>$63,299,229</td>
<td>$</td>
<td>$63,299,229</td>
</tr>
<tr>
<td>Donor-restricted endowment funds</td>
<td>-</td>
<td>$11,475,586</td>
<td>$11,475,586</td>
</tr>
<tr>
<td><strong>Total endowment funds</strong></td>
<td>$63,299,229</td>
<td>$11,475,586</td>
<td><strong>$74,774,815</strong></td>
</tr>
</tbody>
</table>
14.  ENDOWMENT FUND (Continued)

The Community Foundation's endowment net asset funds consist of the following at March 31, 2022:

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board designated endowment funds</td>
<td>$71,722,076</td>
<td>$</td>
<td>$71,722,076</td>
</tr>
<tr>
<td>Donor-restricted endowment funds</td>
<td>-</td>
<td>12,088,531</td>
<td>12,088,531</td>
</tr>
<tr>
<td>Total endowment funds</td>
<td>$71,722,076</td>
<td>$12,088,531</td>
<td>$83,810,607</td>
</tr>
</tbody>
</table>

Changes in endowment net assets were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, April 1, 2021:</td>
<td>$70,154,236</td>
<td>$12,022,030</td>
<td>$82,176,266</td>
</tr>
<tr>
<td>Contributions</td>
<td>1,679,861</td>
<td>-</td>
<td>1,679,861</td>
</tr>
<tr>
<td>Change in value of perpetual trust – held by third party</td>
<td>-</td>
<td>9,767</td>
<td>9,767</td>
</tr>
<tr>
<td>Investment income, net of fees</td>
<td>739,683</td>
<td>46,943</td>
<td>786,626</td>
</tr>
<tr>
<td>Realized/unrealized gains</td>
<td>3,285,408</td>
<td>254,789</td>
<td>3,540,197</td>
</tr>
<tr>
<td>Other income</td>
<td>44,791</td>
<td>-</td>
<td>44,791</td>
</tr>
<tr>
<td>Grants paid</td>
<td>(964,735)</td>
<td>(167,200)</td>
<td>(1,131,935)</td>
</tr>
<tr>
<td>Appropriations/transfers</td>
<td>(2,042,632)</td>
<td>(25,000)</td>
<td>(2,067,632)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(3,287,594)</td>
<td>-</td>
<td>(3,287,594)</td>
</tr>
<tr>
<td>Support fees</td>
<td>2,113,058</td>
<td>(52,798)</td>
<td>2,060,260</td>
</tr>
<tr>
<td>Endowment net assets, March 31, 2022:</td>
<td>$71,722,076</td>
<td>$12,088,531</td>
<td>$83,810,607</td>
</tr>
<tr>
<td>Contributions</td>
<td>601,827</td>
<td>50</td>
<td>601,877</td>
</tr>
<tr>
<td>Change in value of perpetual trust – held by third party</td>
<td>-</td>
<td>(173,800)</td>
<td>(173,800)</td>
</tr>
<tr>
<td>Investment income, net of fees</td>
<td>695,176</td>
<td>45,544</td>
<td>740,720</td>
</tr>
<tr>
<td>Realized/unrealized losses</td>
<td>(4,667,231)</td>
<td>(234,343)</td>
<td>(4,901,574)</td>
</tr>
<tr>
<td>Other income</td>
<td>36,499</td>
<td>-</td>
<td>36,499</td>
</tr>
<tr>
<td>Grants paid</td>
<td>(1,278,056)</td>
<td>(203,900)</td>
<td>(1,481,956)</td>
</tr>
<tr>
<td>Appropriations/transfers</td>
<td>(2,081,185)</td>
<td>-</td>
<td>(2,081,185)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(3,771,755)</td>
<td>-</td>
<td>(3,771,755)</td>
</tr>
<tr>
<td>Support fees</td>
<td>2,041,878</td>
<td>(46,496)</td>
<td>1,995,382</td>
</tr>
<tr>
<td>Endowment net assets, March 31, 2023</td>
<td>$63,299,229</td>
<td>$11,475,586</td>
<td>$74,774,815</td>
</tr>
</tbody>
</table>

**Interpretation of Relevant Law**

New York Not-for-Profit Corporation Law includes an article known as the "Prudent Management of Institutional Funds Act." The Community Foundation's Board of Directors has interpreted the applicable provisions of New York Not-for-Profit Corporation Law to mean that the classification of appreciation on endowment gifts, beyond the original gift amount, follows the donor’s restrictions on the use of the related income.

**Funds with Deficiencies**

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or the relevant state law requires the Community Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in net assets without donor restrictions. There were no deficiencies reported at March 31, 2023 or 2022.
14. ENDOWMENT FUND (Continued)

Return Objectives and Risk Parameters
The Community Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include donor-restricted funds that the Community Foundation must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to preserve capital, considering the impact of inflation, strive for consistent annual total returns, achieve long-term total returns which meet or exceed inflation, plus spending for operations and grants and earn the highest possible return given the risk tolerance established by the Community Foundation. The Community Foundation expects its endowment funds, over time, to provide an average rate of return of approximately 7.6% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives
The Community 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 Community 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 constraints.

Endowment Spending Policy and Investment Objectives
The Community Foundation uses the total return strategy for endowment fund income. Under this concept, endowment income to be distributed was established at 5.4%, based upon the average of the market value of the endowment asset accounts. If the total return amount exceeds the actual earnings of the endowment funds in any one year, then the amount needed to fund such excess will first be taken from the accumulated excess earnings from prior years, then from the accumulated net capital gains of endowment funds and, conversely, any undistributed income after the allocation of the total return distribution is added back to the endowment fund balance.

15. RETIREMENT PLAN

The Community Foundation sponsors a 401(k) defined contribution retirement plan (the Plan). The Plan is to a safe-harbor plan whereby the Community Foundation matches 100% of employee contributions up to 5% for all eligible employees as defined by the Plan. The Plan was amended during 2023 to allow participant loans to remain active upon termination from employment. The Community Foundation's contributions amounted to $198,654 and $180,081 in 2023 and 2022, respectively.

16. LOAN GUARANTEE

In March 2020, the Community Foundation entered into a guaranty agreement on a pool of mortgage loans held by an unrelated party, which is a Syracuse-based Community Development Financial Institution. The Community Foundation guarantees the payment obligations of the unrelated party up to a maximum of $500,000. The Community Foundation annually reviews the financial projection of the unrelated party to determine if the loan obligation can be fulfilled. Based upon management's most recent review, the Community Foundation has determined that no liability is necessary for this loan as of March 31, 2023.
17. **SUBSEQUENT EVENTS**

Subsequent events have been evaluated through June 7, 2023, which is the date the consolidated financial statements were available to be issued.