

**CENTRAL NEW YORK COMMUNITY
FOUNDATION, INC. AND SUBSIDIARIES**

**Consolidated Financial Statements as of
March 31, 2026
Together with
Independent Auditor's Report**

INDEPENDENT AUDITOR'S REPORT

June 3, 2026

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

Opinion

We have audited the accompanying consolidated financial statements of Central New York Community Foundation, Inc. (a New York nonprofit organization) and Subsidiaries, which comprise the consolidated statement of financial position as of March 31, 2026, 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 Subsidiaries as of March 31, 2026, 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 Central New York Community Foundation, Inc. and Subsidiaries 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 Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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INDEPENDENT AUDITOR'S REPORT

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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 Subsidiaries' 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 Subsidiaries' 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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules I and II is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CENTRAL NEW YORK COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31, 2026

ASSETS

Cash and cash equivalents	\$ 9,187,177
Accounts receivable	5,480,011
Pledges receivable	139,510
Investments	502,805,914
Impact investments	2,540,714
Split-interest agreements	12,430,492
Perpetual trust held by third party	1,505,831
Cash surrender value of life insurance	963,566
Property and equipment, net	3,412,680
Other assets	<u>144,080</u>
Total assets	<u>\$ 538,609,975</u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts payable and accrued expenses	\$ 359,180
Split-interest agreements	6,018,149
Deferred compensation	52,375
Deferred revenue	534,939
Grants payable	6,247,522
Endowments held for other not-for-profit organizations	<u>35,518,599</u>
Total liabilities	<u>48,730,764</u>

NET ASSETS:

Without donor restrictions -	
Designated by the governing board for long-term investment	82,270,623
Designated for donor advisement	195,538,390
Other net assets without donor restrictions	<u>116,109,191</u>
Total without donor restrictions	393,918,204
With donor restrictions	<u>95,961,007</u>
Total net assets	<u>489,879,211</u>
Total liabilities and net assets	<u>\$ 538,609,975</u>

The accompanying notes are an integral part of these statements.

CENTRAL NEW YORK COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2026

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE:			
Public support -			
Contributions	\$ 37,566,432	\$ 2,031,009	\$ 39,597,441
Change in value of split-interest agreements	187,413	(768,898)	(581,485)
Revenue -			
Investment income, net	3,850,178	688,865	4,539,043
Net gain on investments	46,972,425	9,952,986	56,925,411
Administrative management income on endowments held for other not-for-profit organizations	210,236	-	210,236
Other	496,463	-	496,463
	<u>89,283,147</u>	<u>11,903,962</u>	<u>101,187,109</u>
Net assets released from restrictions	<u>4,972,440</u>	<u>(4,972,440)</u>	<u>-</u>
Total public support and revenue	<u>94,255,587</u>	<u>6,931,522</u>	<u>101,187,109</u>
EXPENSES:			
Program services	34,584,612	-	34,584,612
Supporting services	3,679,667	-	3,679,667
Total expenses	<u>38,264,279</u>	<u>-</u>	<u>38,264,279</u>
CHANGE IN NET ASSETS	55,991,308	6,931,522	62,922,830
NET ASSETS - beginning of year	<u>337,926,896</u>	<u>89,029,485</u>	<u>426,956,381</u>
NET ASSETS - end of year	<u>\$ 393,918,204</u>	<u>\$ 95,961,007</u>	<u>\$ 489,879,211</u>

The accompanying notes are an integral part of these statements.

CENTRAL NEW YORK COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2026**

	<u>Supporting Services</u>				
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	<u>Total</u>
Grant expenses	\$ 31,881,204	\$ -	\$ -	\$ -	\$ 31,881,204
Salaries	1,375,854	1,253,805	702,274	1,956,079	3,331,933
Payroll taxes	99,195	85,350	49,610	134,960	234,155
Employee benefits	245,215	213,986	107,458	321,444	566,659
Marketing	-	-	458,354	458,354	458,354
Building expenses	127,246	63,083	43,844	106,927	234,173
Professional fees	327,983	181,928	55,597	237,525	565,508
Depreciation	179,811	87,997	62,607	150,604	330,415
Conferences and meetings	38,979	40,748	17,066	57,814	96,793
Equipment maintenance and IT expense	104,259	78,749	48,400	127,149	231,408
General insurance	22,455	16,715	9,783	26,498	48,953
Postage and supplies	28,747	18,111	17,725	35,836	64,583
Miscellaneous	153,664	51,096	15,381	66,477	220,141
Total expenses	<u>\$ 34,584,612</u>	<u>\$ 2,091,568</u>	<u>\$ 1,588,099</u>	<u>\$ 3,679,667</u>	<u>\$ 38,264,279</u>

The accompanying notes are an integral part of these statements.

CENTRAL NEW YORK COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

	<u>2026</u>
CASH FLOW FROM OPERATING ACTIVITIES:	
Change in net assets	\$ 62,922,830
Adjustments to reconcile change in net assets to net cash flow from operating activities:	
Depreciation	330,415
Net gain on investments	(56,925,411)
Change in value of split-interest agreements	1,093,552
Change in value of perpetual trust held by third party	(113,258)
Change in cash surrender value of life insurance	(667,259)
Changes in:	
Accounts receivable	2,053,093
Pledges receivable	20,883
Other assets	1,340
Accounts payable and accrued expenses	144,884
Liabilities under split-interest agreements	(512,067)
Deferred compensation	23,500
Deferred revenue	452,390
Grants payable	3,920,560
Endowments held for other not-for-profit organizations	<u>4,132,092</u>
Net cash flow from operating activities	<u>16,877,544</u>
CASH FLOW FROM INVESTING ACTIVITIES:	
Purchase of investments	(78,807,088)
Proceeds from sales and maturities of investments	62,963,844
Change in impact investments	1,804,725
Purchase of property and equipment	<u>(78,812)</u>
Net cash flow from investing activities	<u>(14,117,331)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	2,760,213
CASH AND CASH EQUIVALENTS - beginning of year	<u>6,426,964</u>
CASH AND CASH EQUIVALENTS - end of year	<u>\$ 9,187,177</u>

The accompanying notes are an integral part of these statements.

CENTRAL NEW YORK COMMUNITY FOUNDATION, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2026

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, Inc. and CNY Philanthropy Center, LLC share certain common Board members and management.

Central New York Innovation and Growth Initiative, Inc., a charitable corporation as set forth in the Not-for-Profit Corporation Law of New York State, was formed with the intent to carry out effective grant making utilizing governmental and other strategic partners. Central New York Community Foundation, Inc. and Central New York Innovation and Growth Initiative, Inc. share common management.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Central New York Community Foundation, Inc., CNY Philanthropy Center, LLC, and Central New York Innovation and Growth Initiative, Inc. (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 with donor restrictions are those 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Accounts Receivable

Accounts receivable mainly consist of amounts outstanding under the terms of several wills. If collection becomes doubtful, an allowance will be established or the accounts will be charged to expense 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, 2026.

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 interest, and dividends, net of investment fees) and net gain/(loss) on investments (consistent of realized and unrealized gains and losses on investments), are 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 fair value of each fund to the total fair 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impact Investments

The Community Foundation's impact investing program provides sustainable long-term benefit to the community while preserving capital and attaining a modest financial return. Local impact investments align to the Community Foundation's mission and grantmaking priorities and enable the community and local partners to move forward projects that would not otherwise happen without the Community Foundation's investment. The Community Foundation records impact investments at cost, which approximates fair value, and evaluates for impairment annually.

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 5% to 10%, 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement (Continued)

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.

The following valuation techniques were used to measure fair value of assets as of March 31, 2026:

- *Common stocks* - Fair value of common stocks is based on the closing price reported in the active market in 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 statements 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 2026.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Surrender Value of Life Insurance

The Community Foundation receives various donations of life insurance policies, in which 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 \$3,838,000 and at March 31, 2026.

Property and Equipment

Property and equipment is recorded at fair 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 to 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 statements 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 statements of financial position within net assets without donor restrictions (see Note 12). 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 \$955,941 in 2026.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2026.

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 revenue 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.

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

Central New York Community Foundation, Inc. and Central New York Innovation and Growth Initiative, Inc. are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and have been determined not to be private foundations 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.

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, 2026:

Cash and cash equivalents	\$ 9,187,177
Accounts receivable	5,480,011
Pledges receivable	139,510
Investments	502,805,914
Split-interest agreements	12,430,492
Perpetual trust held by third party	1,505,831
Cash surrender value of life insurance	<u>963,566</u>

Financial assets at year end 532,512,501

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

Investments with limits on liquidation	4,669,279
Board designations (quasi-endowment)	82,270,623
Designated for donor advisement	195,538,390
Restricted by donors with time restrictions	6,975,460
Restricted by donors with purpose restrictions	81,247,359
Restricted by donors in perpetuity	7,738,188
Endowments held for other not-for-profit organizations	<u>35,518,599</u>

Total amounts unavailable for general expenditures within one year 413,957,898

Financial assets available to meet cash needs for general expenditures within one year \$ 118,554,603

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, 2026 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 years ending March 31:

2027	\$ 129,932
2028	5,700
2029	3,678
2030	100
Thereafter	<u>100</u>
	<u>\$ 139,510</u>

5. INVESTMENTS

Investments consisted of the following at March 31, 2026:

Cash	\$ 6,700,858
Common stocks	12,551,751
Equity mutual funds	146,245,566
Bond mutual funds	22,247,877
Limited partnerships	42,641,030
U.S. Treasury and governmental agency obligations	13,709,369
Corporate bonds	16,563,312
Hedge funds and funds of funds	101,678,807
Pooled investment funds	<u>140,467,344</u>
	<u>\$ 502,805,914</u>

Investment management fees were approximately \$2,774,000 for the year ended March 31, 2026. 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, 2026:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stocks	\$ 12,551,751	\$ -	\$ -	\$ 12,551,751
Equity mutual funds	146,245,566	-	-	146,245,566
Bond mutual funds	22,247,877	-	-	22,247,877
Limited partnerships	-	-	42,641,030	42,641,030
U.S. Treasury and governmental agency obligations	13,709,369	-	-	13,709,369
Corporate bonds	<u>-</u>	<u>16,563,312</u>	<u>-</u>	<u>16,563,312</u>
Total investments, at fair value	<u>194,754,563</u>	<u>16,563,312</u>	<u>42,641,030</u>	253,958,905
Investments measured at net asset value (NAV)				<u>242,146,151</u>
Total investments				<u>496,105,056</u>
Perpetual trust held by third party	1,505,831	-	-	1,505,831
Split-interest agreements:				
Beneficial interest in split-interest agreements	-	-	3,941,659	3,941,659
Assets in split-interest agreements -				
Equity mutual funds	5,013,667	-	-	5,013,667
Bond mutual funds	<u>3,475,166</u>	<u>-</u>	<u>-</u>	<u>3,475,166</u>
	<u>9,994,664</u>	<u>-</u>	<u>3,941,659</u>	<u>13,936,323</u>
Total	<u>\$ 204,749,227</u>	<u>\$ 16,563,312</u>	<u>\$ 46,582,689</u>	<u>\$ 510,041,379</u>

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 determines if the current valuation techniques used in fair value measurements are still appropriate, and 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, 2026, the Community Foundation had investments in 10 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 partnerships as of March 31, 2026, adjusted for cash receipts, cash disbursements, and securities distributions through March 31, 2026. 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 \$14,725,546 at March 31, 2026, 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 to 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, 2026, there are unfunded commitments on limited partnerships totaling \$2,835,633.

The Community Foundation had purchases and sales of its level 3 limited partnerships totaling \$917,358 and \$1,210,931, respectively for the year ended March 31, 2026.

Beneficial Interest in Split-Interest Agreements

The Community Foundation invests in six 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 year ended March 31, 2025.

Net Asset Value

The Community Foundation had the following investments that are valued using net asset value at March 31, 2026:

<u>Description</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
Hedge funds and funds of funds:				
Liquid	\$ 79,022,063	\$ -	Monthly -Annual	30 - 180 days
Illiquid	22,656,744	5,418,535	-	-
Pooled investment funds:				
Equities - liquid	55,691,449	-	Monthly - Quarterly	10 - 90 days
Fixed income - liquid	15,837,209	-	Monthly	5 days
Emerging/ global equities - liquid	<u>68,938,686</u>	<u>-</u>	Monthly - Annual	30 - 180 days
Total	<u>\$ 242,146,151</u>	<u>\$ 5,418,535</u>		

6. FAIR VALUE MEASUREMENTS (Continued)

Hedge Funds and Funds of Funds

At March 31, 2026, the Community Foundation has investments in 32 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. Ten 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, 2026. For the remaining 22 investments, redemptions may not be made until the unfunded commitments have been satisfied. There were unfunded commitments for these funds of \$5,418,535 at March 31, 2026.

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, 2026, 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, 2026:

	<u>Asset</u>	<u>Liability</u>
Charitable remainder trusts	\$ 11,372,474	\$ 5,531,258
Pooled life income fund	398,168	227,491
Charitable gift annuities	<u>659,850</u>	<u>259,400</u>
	<u>\$ 12,430,492</u>	<u>\$ 6,018,149</u>

8. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of March 31, 2026:

Land	\$ 253,775
Land improvements	55,856
Furniture and fixtures	1,343,553
Buildings and improvements	<u>6,220,793</u>
	7,873,977
Less: Accumulated depreciation	<u>(4,461,297)</u>
Property and equipment, net	<u>\$ 3,412,680</u>

Furniture and equipment with a net book value of \$130,400 was held by Central New York Community Foundation, Inc. with the remainder of property and equipment belonging to CNY Philanthropy Center, LLC. Depreciation expense amounted to \$330,415 in 2026.

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, attainment of age 67 years, or death. The liability for deferred compensation plans amounted to \$52,375 at March 31, 2026.

10. GRANTS PAYABLE

Grants payable consisted of unconditional promises to give to other organizations, which had not been paid as of March 31, 2026. These amounts are payable as follows in the years ending March 31:

2027	\$ 1,548,191
2028	1,443,128
2029	1,188,203
2030	1,062,000
2031	<u>1,006,000</u>
	<u>\$ 6,247,522</u>

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, 2026:

Contributions	\$ 2,255,676
Investment activity	4,334,432
Grants	<u>(2,458,016)</u>
Net change in endowments held for other not-for-profit organizations	4,132,092
Endowments held for other not-for-profit organizations - beginning of year	<u>31,386,507</u>
Endowments held for other not-for-profit organizations - end of year	<u>\$ 35,518,599</u>

12. NET ASSETS

Included in net assets without donor restrictions is \$195,538,390 of donor advised funds at March 31, 2026. 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 \$82,270,623 of net assets without donor restrictions as Board designated endowment at March 31, 2026.

Net assets with donor restrictions consisted of the following at March 31, 2026:

Charitable remainder trusts - time restriction	\$ 5,841,217
Pooled life income fund - time restriction	170,677
Cash surrender value of life insurance - time restriction	963,566
Scholarships - purpose restrictions	64,267,527
Field of interest - purpose restrictions	8,764,894
Perpetual	7,738,188
Other - purpose restrictions	<u>8,214,938</u>
	<u>\$ 95,961,007</u>

During 2026, approximately \$4,972,000 was released from restriction through the passage of time and satisfaction of donor restrictions.

13. ENDOWMENT FUNDS

The Community Foundation's endowment net assets consist of the following at March 31, 2026:

	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 82,270,623	\$ -	\$ 82,270,623
Donor-restricted endowment funds	<u>-</u>	<u>12,398,756</u>	<u>12,398,756</u>
Total endowment funds	<u>\$ 82,270,623</u>	<u>\$ 12,398,756</u>	<u>\$ 94,669,379</u>

Changes in endowment net assets were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets – April 1, 2025:	\$ 67,644,763	\$ 11,843,718	\$ 79,488,481
Contributions	5,612,931	-	5,612,931
Change in value of perpetual trust held by third party	-	113,257	113,257
Investment income, net of fees	786,338	45,402	831,740
Realized/unrealized gains	11,457,292	657,948	12,115,240
Other income	305,720	-	305,720
Grants paid	(640,184)	(209,500)	(849,684)
Appropriations/transfers	(803,190)	-	(803,190)
Other expenses	(5,035,459)	-	(5,035,459)
Support fees	<u>2,942,412</u>	<u>(52,069)</u>	<u>2,890,343</u>
Endowment net assets - March 31, 2026	<u>\$ 82,270,623</u>	<u>\$ 12,398,756</u>	<u>\$ 94,669,379</u>

13. ENDOWMENT FUND (Continued)

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, 2026.

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 periods 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 8.4% 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.

14. RETIREMENT PLAN

The Community Foundation sponsors a 401(k) defined contribution retirement plan (the Plan). The Plan is 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 Community Foundation's contributions amounted to \$319,159 in the year ended March 31, 2026.

15. 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 has determined that no liability is necessary for this loan as of March 31, 2026.

16. SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 3, 2026, which is the date the consolidated financial statements were available to be issued.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
MARCH 31, 2026

	CNY Community <u>Foundation</u>	CNY Philanthropy <u>Center, LLC</u>	CNY Innovation and <u>Growth Initiative, Inc.</u>	<u>Eliminations</u>	Consolidated <u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 8,714,344	\$ 15,491	\$ 457,342	\$ -	\$ 9,187,177
Accounts receivable	5,473,541	6,470	-	-	5,480,011
Pledges receivable	139,510	-	-	-	139,510
Investments	502,805,914	-	-	-	502,805,914
Impact investments	2,540,714	-	-	-	2,540,714
Split-interest agreements	12,430,492	-	-	-	12,430,492
Perpetual trust held by third party	1,505,831	-	-	-	1,505,831
Cash surrender value of life insurance	963,566	-	-	-	963,566
Property and equipment, net	130,440	3,282,240	-	-	3,412,680
Other assets	135,144	6,589	2,347	-	144,080
	<u>\$ 534,839,496</u>	<u>\$ 3,310,790</u>	<u>\$ 459,689</u>	<u>\$ -</u>	<u>\$ 538,609,975</u>
LIABILITIES AND NET ASSETS					
LIABILITIES:					
Accounts payable and accrued expenses	\$ 341,504	\$ 10,376	\$ 7,300	\$ -	\$ 359,180
Split-interest agreements	6,018,149	-	-	-	6,018,149
Deferred compensation	52,375	-	-	-	52,375
Deferred revenue	82,550	-	452,389	-	534,939
Grants payable	6,247,522	-	-	-	6,247,522
Endowments held for other not-for-profit organizations	35,518,599	-	-	-	35,518,599
	<u>48,260,699</u>	<u>10,376</u>	<u>459,689</u>	<u>-</u>	<u>48,730,764</u>
NET ASSETS:					
Without donor restrictions -					
Designated by the governing board for long-term investment	82,270,623	-	-	-	82,270,623
Designated for donor advisement	195,538,390	-	-	-	195,538,390
Other net assets without donor restrictions	112,808,777	3,300,414	-	-	116,109,191
	<u>390,617,790</u>	<u>3,300,414</u>	<u>-</u>	<u>-</u>	<u>393,918,204</u>
With donor restrictions					
	<u>95,961,007</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,961,007</u>
	<u>486,578,797</u>	<u>3,300,414</u>	<u>-</u>	<u>-</u>	<u>489,879,211</u>
	<u>\$ 534,839,496</u>	<u>\$ 3,310,790</u>	<u>\$ 459,689</u>	<u>\$ -</u>	<u>\$ 538,609,975</u>

**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2026**

	CNY Community <u>Foundation</u>	CNY Philanthropy <u>Center, LLC</u>	CNY Innovation and <u>Growth Initiative, Inc.</u>	<u>Eliminations</u>	Consolidated <u>Total</u>
PUBLIC SUPPORT AND REVENUE:					
Public support -					
Contributions	\$ 39,457,580	\$ -	\$ 139,861	\$ -	\$ 39,597,441
Change in value of split-interest agreements	(581,485)	-	-	-	(581,485)
Revenue -					
Investment income, net	4,539,043	-	-	-	4,539,043
Net gain on investments	56,925,411	-	-	-	56,925,411
Administrative management income on endowments held for other not-for-profit organizations	210,236	-	-	-	210,236
Other	492,908	322,804	-	(319,250)	496,462
	<u>101,043,693</u>	<u>322,804</u>	<u>139,861</u>	<u>(319,250)</u>	<u>101,187,108</u>
EXPENSES:					
Program services	34,529,013	280,599	-	(225,000)	34,584,612
Supporting services	3,415,318	218,738	139,861	(94,250)	3,679,667
Total expenses	<u>37,944,331</u>	<u>499,337</u>	<u>139,861</u>	<u>(319,250)</u>	<u>38,264,279</u>
CHANGE IN NET ASSETS	63,099,362	(176,533)	-	-	62,922,829
NET ASSETS - beginning of year	<u>423,479,435</u>	<u>3,476,946</u>	<u>-</u>	<u>-</u>	<u>426,956,381</u>
NET ASSETS - end of year	<u>\$ 486,578,797</u>	<u>\$ 3,300,413</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 489,879,210</u>