Community Foundation of New Jersey

Financial Statements
and Independent Auditor's Report

December 31, 2022 and 2021

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Community Foundation of New Jersey

Index

Independent Auditor's Report

To the Board of Trustees
Community Foundation of New Jersey

Opinion

We have audited the financial statements of Community Foundation of New Jersey, which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Foundation of New Jersey as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 Community Foundation of New Jersey and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Foundation of New Jersey's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Foundation of New Jersey'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.

CohnReznick LLP

New York, New York
September 13, 2023

Community Foundation of New Jersey

Statements of Financial Position
December 31, 2022 and 2021

Assets

	2022	2021
Cash and cash equivalents	$ 4,819,672	$ 1,752,775
Securities and investments, at fair value	705,274,988	828,447,157
Loan and interest receivables	20,221,254	16,350,870
Pledges receivable	3,713,503	4,088,503
Prepaid expenses and other assets	2,822,034	648,121
Due from broker	-	1,758,158
Total	$ 736,851,451	$ 853,045,584

Liabilities and Net Assets

	2022	2021
Liabilities		
Accounts payable and accrued expenses	$ 2,399,969	$ 466,095
Grants and pledges payable	5,533,884	3,316,382
Debt	-	224,800
Charitable gift annuities	799,708	1,130,614
Funds held on behalf of others	19,837,558	20,859,663
Total liabilities	28,571,119	25,997,554
Commitments and contingencies		
Net assets		
Without donor restrictions	601,937,312	700,699,316
With donor restrictions	106,343,020	126,348,714
Total net assets	708,280,332	827,048,030
Total	$ 736,851,451	$ 853,045,584

See Notes to Financial Statements.

Community Foundation of New Jersey

Statements of Activities and Changes in Net Assets
Years Ended December 31, 2022 and 2021

	2022			2021		
	Without donor restrictions	With donor restrictions	2022 Total	Without donor restrictions	With donor restrictions	2021 Total
Revenues and support						
Contributions	$ 110,162,574	$ 19,527,546	$ 129,690,120	$ 197,204,532	$ 24,369,222	$ 221,573,754
Operational fees	3,956,947	-	3,956,947	-	-	-
Net investment return	(75,917,468)	(12,459,876)	(88,377,344)	72,018,076	11,781,374	83,799,450
Net assets released from restrictions	27,073,364	(27,073,364)	-	60,002,240	(60,002,240)	-
Total revenues and support	65,275,417	(20,005,694)	45,269,723	329,224,848	(23,851,644)	305,373,204
Expenses						
Grants	147,862,167	-	147,862,167	100,870,825	-	100,870,825
Program related expenses	14,160,484	-	14,160,484	15,572,134	-	15,572,134
General and administrative	1,481,866	-	1,481,866	1,298,833	-	1,298,833
Fundraising and development	532,904	-	532,904	688,974	-	688,974
Total expenses	164,037,421	-	164,037,421	118,430,766	-	118,430,766
Change in net assets before other changes	(98,762,004)	(20,005,694)	(118,767,698)	210,794,082	(23,851,644)	186,942,438
Other changes						
PPP loan forgiveness	-	-	-	300,600	-	300,600
Total other changes	-	-	-	300,600	-	300,600
Change in net assets	(98,762,004)	(20,005,694)	(118,767,698)	211,094,682	(23,851,644)	187,243,038
Net assets, beginning	700,699,316	126,348,714	827,048,030	489,604,634	150,200,358	639,804,992
Net assets, end	$ 601,937,312	$ 106,343,020	$ 708,280,332	$ 700,699,316	$ 126,348,714	$ 827,048,030

See Notes to Financial Statements.

Community Foundation of New Jersey

Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Change in net assets	$ (118,767,698)	$ 187,243,038
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities		
Unrealized loss (gain) on change in fair value of investments	108,242,234	(47,704,723)
Realized gain on change on sale of investments	(88,589)	(16,845,724)
PPP loan forgiveness	-	(300,600)
Noncash stock contributions	(38,096,300)	(83,701,917)
Restricted contributions to endowment	-	(701,383)
Depreciation and amortization	53,279	53,279
Changes in operating assets and liabilities		
Loan and interest receivables	(3,870,384)	2,699,904
Pledges receivable	375,000	1,611,497
Prepaid expenses and other assets	(2,227,192)	(322,130)
Due from broker	1,758,158	(1,758,158)
Accounts payable and accrued expenses	1,933,874	243,773
Grants and pledges payable	2,217,502	(5,800,669)
Net cash (used in) provided by operating activities	(48,470,116)	34,716,187
Cash flows from investing activities		
Purchase of investments	(114,552,340)	(299,127,170)
Proceeds on sale of investments	167,667,164	250,498,081
Net cash provided by (used in) investing activities	53,114,824	(48,629,089)
Cash flows from financing activities		
Payments on debt	(224,800)	(56,200)
Payments of charitable gift annuities, net	(330,906)	(162,013)
Change in funds held on behalf of others	(1,022,105)	3,076,777
Restricted contributions to endowment	-	701,383
Net cash (used in) provided by financing activities	(1,577,811)	3,559,947
Net increase (decrease) in cash and cash equivalents	3,066,897	(10,352,955)
Cash and cash equivalents, beginning	1,752,775	12,105,730
Cash and cash equivalents, end	$ 4,819,672	$ 1,752,775
Supplemental disclosure of noncash activities		
PPP loan forgiveness	$ -	$ 300,600

See Notes to Financial Statements.

Note 1 - Nature of organization and activities

Community Foundation of New Jersey ("CFNJ" or the "Foundation") was established in November 1979 under the provisions of Title 15 of the New Jersey Revised Statutes of 1937. CFNJ is an alliance of families, businesses and foundations that work together providing services in New Jersey that use charitable giving to create lasting differences in lives and communities. It is organized for consistent, responsive and timely giving. On an ongoing basis, community needs are assessed and projects are selected based upon where resources can deliver the best outcomes.

Note 2 - Summary of significant accounting policies

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The Foundation presents information regarding its financial position and activities according to the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Without donor restrictions - Net assets over which the governing board has discretionary control. The governing board of the Foundation may elect to designate such resources for specific purposes. This designation may be removed at the Board of Trustees' discretion.

With donor restrictions - Net assets with donor restrictions consist of assets that are restricted by a donor to be used for a specific purpose or in a future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions, or when the stipulated time has passed. Other donor-imposed restrictions on net assets are permanent in nature. These net assets have been restricted by donors to be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restrictions is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

New accounting pronouncements

The Foundation adopted Accounting Standards Update 2016-02 (as amended), *Leases* ("Topic 842") on January 1, 2022. Topic 842 requires lessees to recognize a right-of-use asset and a corresponding lease liability for most leases. The Foundation elected and applied the following transition practical expedients when initially adopting Topic 842:

- To apply the provisions of Topic 842 at the adoption date, instead of applying them to the earliest comparative period presented in the financial statements.
- The package of practical expedients permitting the Foundation to not reassess (i) the lease classification of existing leases; (ii) whether existing and expired contracts are or contain leases; and (iii) initial direct costs for existing leases.

The adoption of Topic 842 did not have a material impact on the change in net assets for the year ended December 31, 2022.

The Foundation did not have a long-term lease in place as of December 31, 2022. Therefore no right of use asset or lease liability is presented.

For the year ended December 31, 2022, the Foundation adopted Accounting Standards Update 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard provides guidance on the presentation of contributed nonfinancial assets in the statement of activities and additional disclosure requirements for each type of contributed nonfinancial asset. The ASU provides transparency on the measurement of the contributed nonfinancial assets of the organization and will not change existing recognition and measurement requirements. CFNJ has implemented provisions of ASU 2020-07 applicable to all contributed nonfinancial assets. Amounts of contributed nonfinancial assets were not material to the financial statements as of December 31, 2022 and 2021.

Use of estimates
The preparation of financial statements in conformity 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 financial statements, and the reported amounts of revenues and expenses during the reporting period. The Foundation makes significant estimates regarding the value of investments. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents
The Foundation considers all highly liquid debt instruments with an original maturity of three months or less when purchased to be cash equivalents. Cash and money market funds held by investment managers are classified as investments.

Pledges receivable
Pledges receivable consist of unconditional promises to give. Pledges that are expected to be collected within one year are recorded at net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. At December 31, 2022 and 2021, the Foundation had pledges receivables of $3,713,503 and $4,088,503, respectively which were due within one year.

Concentrations of credit risk
The Foundation maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits.

Investment valuation and net investment return
The Foundation's investments are stated at fair value, which has been determined based on the fair value of the underlying investments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 7 for discussion of fair value measurements.

Purchases and sales are recorded on a trade-date basis. The Foundation's gains and losses on investments sold or held during the year are included on the statement of activities and changes in net assets. Dividend and interest income is recorded when received.

Net investment return includes dividends, interest, and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments. External investment related expenses are netted against investment returns.

Fair value of financial instruments

The Foundation's material financial instruments at December 31, 2022 and 2021, for which disclosure of estimated fair value is required by certain accounting standards, consisted of cash and cash equivalents, grants and other receivables, accounts payable and accrued expenses, grants and pledges payable and annuities. The fair values of cash and cash equivalents, grants receivable and accounts payable and accrued expenses are equal to their carrying value because of their liquidity and short-term maturity. Management believes that the fair values of other receivables and grants and pledges payable to unrelated parties do not differ materially from their aggregate carrying values in that substantially all the obligations bear risk-free interest rates, if material, that are based on market rates or interest rates that are periodically adjustable to rates that are based on market rates (see Note 12 for discussion on annuities).

Functional allocation of expenses

Costs are allocated between program activities and services, fundraising and general and administrative based on an evaluation of the related benefits. General and administrative expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the Foundation.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation, payroll taxes and employee benefits, which are allocated on the basis of estimates of time and effort. Other expenses are allocated by direct costs incurred.

Grants and pledges payable

Grants are recorded as an expense and accrued as a liability once approved by a member of senior management. Large grants (those in excess of $50,000) and program related expenses in excess of $10,000 require approval by the CFNJ Board Executive Committee. Pledges payable are recorded at fair value at the date the promise is made to the not-for-profit organization as established by the Foundation. Pledges that are expected to be paid after one year are discounted at a risk-free interest rate when material and amortization of the discount is included in grant expense. Conditional pledges are reported at fair value at the date the condition is met.

Contributions

Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where the Foundation has to overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if the Foundation fails to overcome the barrier. The Foundation recognizes the contribution revenue upon overcoming the barrier or hurdle. Any funding received prior to overcoming the barrier is recognized as a refundable advance.

Unconditional contributions are recognized as revenue and receivable when the commitment to contribute is received.

It is the Foundation's policy that contributions to donor-advised funds are reported as an increase in net assets without donor restrictions. Although the donor relinquishes control over those assets, the donor can advise the Foundation as to the use of those assets.

Concentrations consist primarily of contributions received from third parties. For the years ended December 31, 2022 and 2021, one and three donors accounted for approximately 16% and 32% of contributions received, respectively.

Operational fees

Operational fees are recognized when control of the promised service is transferred to the Foundation's customers, in an amount that depicts the consideration the Foundation expects to be entitled to in exchange for those services. Revenue is not recognized unless collectability under the contract is considered probable, the contract has commercial substance and the contract has been approved. Additionally, the contract must contain payment terms, as well as the rights and commitments of both parties.

Funds held on behalf of others

The Foundation receives and distributes assets under certain agency and intermediary arrangements. When the Foundation accepts a contribution from an organization to establish a fund that specifies itself as the beneficiary of that fund, the Foundation will account for the transfer of such assets as a liability. The liability is established at the fair value of the funds received, adjusted for investment earnings, fees, gains and losses and net of any funds returned to the organization.

Nonmonetary transactions/donated services (gifts in-kind)

Nonmonetary transactions are recorded in a similar manner as monetary transactions. That is, they should be based on fair values of the donated services and products involved. Certain donated services require recognition as contribution revenue in the period received at fair value. In many instances the contribution revenue would be offset by additional expenses based on the nature of the donated services. Amounts related to donated services for the years ended December 31, 2022, and 2021 were not material to these financial statements.

Income taxes

CFNJ is qualified under Section 501(c)(3) of the Internal Revenue Code (the "IRC") and is therefore not subject to federal income taxes. CFNJ is required to operate in conformity with the IRC to maintain its tax-exempt status. CFNJ is also not subject to state tax under present tax law. Management is not aware of any course of action or series of events that have occurred that might adversely affect CFNJ's qualified status.

Management has analyzed the tax positions taken by the Foundation and has concluded that as of December 31, 2022, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Foundation's federal and state income tax returns prior to 2019 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If applicable, the Foundation recognizes interest and penalties associated with tax matters as expenses and includes accrued interest and penalties under accrued expenses in the statement of financial position. There were no interest or penalties accrued or paid for the years ended December 31, 2022 and 2021.

The Foundation is subject to corporate tax rates on net income earned from unrelated business activities. The Foundation's investments produce minimal amounts of unrelated business income. The Foundation reviews unrelated business income transactions and related tax returns have been filed on a timely basis with the Internal Revenue Service ("IRS").

Reclassifications
Certain beginning balances have been reclassified from the prior year financial statements to conform with the presentation in the current year financial statements.

Subsequent events
Subsequent events have been evaluated through September 13, 2023, which is the date the financial statements were available to be issued.

Note 3 - Loans and other receivables

During 2021, the Foundation held loan receivables from third parties related to an arts loan fund as well as other various functions. These receivables were interest and noninterest-bearing and were due in accordance with the loan agreements. As of December 31, 2021, the outstanding balance on these loans totaled $2,386,806.

As of December 31, 2022, the Foundation holds a loan receivable related to a housing renovation project. This receivable is interest bearing at an interest rate of 4% per annum and is due in accordance with the loan agreement. As of December 31, 2022 and 2021, the outstanding balance on this loan totaled $450,000.

During 2019, the Foundation increased a line of credit with a New Jersey not-for-profit from $12.8 million to $15.8 million. As of December 31, 2022 and 2021, the not-for-profit had drawn down a total of $15,771,254. Interest is charged at 1% of the outstanding balance and payable quarterly to the Foundation. The line of credit is to be repaid in full by November 3, 2025.

During 2022, the Foundation issued an additional line of credit with the not-for-profit totaling $4,000,000. Interest is charged at 1.5% of the outstanding balance and payable quarterly to the Foundation. The line of credit is to be repaid in full by November 30, 2027.

The future minimum payments to the Foundation for loan receivables subsequent to December 31, 2022, are as follows:

Year ending December 31,	Amount
2023	$ -
2024	-
2025	15,771,254
2026	-
2027	4,000,000
Thereafter	450,000
	$ 20,221,254

Note 4 - Debt

During 2017, the Foundation opened a $500,000 line of credit with a local financial institution. The terms of the line of credit are Prime Rate minus 125 basis points and is secured by one of the investment accounts held at the financial institution. For the years ended December 31, 2022 and 2021, the Foundation incurred interest expense of $5,180 and $5,335, respectively, in connection with this line of credit. On October 17, 2022, the Foundation expanded the line of credit to $1,000,000. The balance of the line of credit payable were $0 and $224,800, respectively, as of December 31, 2022 and 2021.

On April 20, 2020, the Foundation entered into an unsecured promissory note with a commercial bank for an aggregate principal amount of approximately $300,600 pursuant to the Paycheck Protection Program (the "PPP Loan"), which was established under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") and is administered by the U.S. Small Business Administration (the "SBA"). The PPP Loan promissory note contains customary events of default relating to, among other things, payment defaults, breach of representations and warranties, or provisions of the promissory note. The occurrence of an event of default may result in the repayment of all amounts outstanding and/or filing suit and obtaining judgment against the Foundation.

Under the CARES Act, PPP Loan recipients meeting certain criteria set by the SBA may be eligible for full or partial forgiveness of such loans.

The Foundation submitted its application for PPP Loan forgiveness and received notice from its lender that the SBA approved forgiveness of the full amount of the PPP Loan and the related interest thereon. Accordingly, the Foundation recognized a corresponding gain on debt forgiveness, which is included in other income on the accompanying statement of activities and changes in net assets. There is a six-year period during which the SBA can review the Foundation's forgiveness calculation. Notice of SBA approved forgiveness was received on April 28, 2021.

Note 5 - Liquidity and availability

The following reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of donor or other restrictions within one year of the statement of financial position date:

	2022	2021
Cash and cash equivalents	$ 4,819,672	$ 1,752,775
Securities and investments, at fair value	705,274,988	828,447,157
Loan and interest receivable, collectible in less than one year	-	129,616
Pledges receivable, collectible in less than one year	3,713,503	4,088,503
Due from broker, collectible in less than one year	-	1,758,158
Total financial assets, excluding noncurrent receivables	713,808,163	836,176,209
Less amounts not available within one year		
Investments in non-liquid securities	104,734,340	83,574,866
Donor-imposed restrictions	106,343,020	126,348,714
Financial assets available to meet cash needs for expenditures within one year	$ 502,730,803	$ 626,252,629

Note 6 - Securities and investments

The Foundation's securities and investments are stated at fair market value in the statement of financial position and consist of the following:

	2022	2021
Money market funds	$ 109,089,046	$ 187,585,238
Common stocks	93,695,003	102,477,712
Federal and corporate bonds and notes	83,386,239	58,190,708
Mutual funds	307,030,086	389,432,789
Hedge funds	8,555,342	8,280,226
Private equity	18,285,233	15,173,019
Investment in real estate and other	383,901	1,649,946
Cash surrender value of life insurance policies	1,035,649	1,061,245
Limited partnerships	36,090,262	23,838,483
Privately held companies	47,724,227	40,757,791
Total	$ 705,274,988	$ 828,447,157

Note 7 - Fair value measurements

The Foundation values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

Financial assets and liabilities carried at fair value at December 31, 2022 are classified in the table below in one of the three categories described above:

	Level 1	Level 2	Level 3	Total
Money market funds	$ -	$ 109,089,046	$ -	$ 109,089,046
Common stocks	93,695,003	-	-	93,695,003
Federal and corporate bonds and notes	-	83,386,239	-	83,386,239
Mutual funds	307,030,086	-	-	307,030,086
Investment in real estate and other	-	-	383,901	383,901
Privately held companies	-	-	47,724,227	47,724,227
Cash surrender of life insurance policies	-	1,035,649	-	1,035,649
Total assets at fair value	400,725,089	193,510,934	48,108,128	642,344,151
Investments measured at NAV (a)	-	-	-	62,930,837
Total investments	$ 400,725,089	$ 193,510,934	$ 48,108,128	$ 705,274,988
Liabilities				
Charitable gift annuities	$ -	$ -	$ 799,708	$ 799,708

Financial assets and liabilities carried at fair value at December 31, 2021 are classified in the table below in one of the three categories described above:

	Level 1	Level 2	Level 3	Total
Money market funds	$ -	$ 187,585,238	$ -	$ 187,585,238
Common stocks	102,477,712	-	-	102,477,712
Federal and corporate bonds and notes	-	58,190,708	-	58,190,708
Mutual funds	389,432,789	-	-	389,432,789
Investment in real estate and other	-	-	1,649,946	1,649,946
Privately held companies	-	-	40,757,791	40,757,791
Cash surrender of life insurance policies	-	1,061,245	-	1,061,245
Total assets at fair value	491,910,501	246,837,191	42,407,737	781,155,429
Investments measured at NAV (a)	-	-	-	47,291,728
Total investments	$ 491,910,501	$ 246,837,191	$ 42,407,737	$ 828,447,157
Liabilities				
Charitable gift annuities	$ -	$ -	$ 1,130,614	$ 1,130,614

(a) In accordance with ASC 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of financial position available for benefits.

The following is a summary of activity for the years ended December 31, 2022 and 2021, for assets (liabilities) measured at fair value based on Level 3 criteria:

	Investments	Charitable gift annuities
Balance, January 1, 2021	$ 10,937,439	$ (1,198,512)
Realized and unrealized gains (losses) included in earnings	5,959,467	(108,236)
Purchases/contributions	26,016,364	-
Sales	(505,533)	176,134
Balance, December 31, 2021	42,407,737	(1,130,614)
Realized and unrealized gains (losses) included in earnings	(14,119,376)	-
Purchases/contributions	25,750,327	-
Sales	(5,930,560)	330,906
Balance, December 31, 2022	$ 48,108,128	$ (799,708)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Common stocks and mutual funds are broadly diversified according to economic sector, industry, number of holdings and other investment characteristics. These are designated as Level 1. Level 1 instrument valuations are obtained from real time quotes for transactions in active exchange markets involving identical assets.

Federal and corporate bonds and notes consist of broadly diversified bonds (which term is meant to include notes, debentures, appropriate mortgage-backed securities and other debt instruments which are not publicly traded but for which a limited trading market is likely to be available). Equity and convertible securities are excluded. These are designated as Level 2. They are based on a modeled bid evaluation pricing estimate for comparable instruments.

Money market funds are valued by the market by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer. These are designated as Level 2.

Cash surrender value of life insurance policies is valued to reflect the return on a portfolio of securities and periodically adjusted. These are designated as Level 2.

The Foundation invests in alternative investment strategies (other than traditional long-only purchases of stocks or bonds) for the purposes of diversifying the market exposure of the investment portfolios, reducing volatility and/or enhancing the overall return. Alternative investments may include investment managers, partnerships or other similar vehicles investing (long and/or short) in domestic and international securities, venture capital investments, hedge funds, private equity, high yield and distressed securities and loans, commodities, gold, oil and gas interests, real estate and derivative instruments. Certain alternative investments are classified within Level 3 of the fair value hierarchy because they trade infrequently and therefore have little or no price transparency. Other alternative investments can be redeemed or traded frequently and therefore are classified within Level 2 of the fair value hierarchy. Hedge funds and private equity are valued utilizing the net asset value ("NAV") provided by the underlying investment companies or fund managers. NAV is utilized as a practical expedient. Investments in real estate, limited partnerships, and privately held companies are stated at estimated fair value. The value of the investments, which includes investment in marketable and nonmarketable securities, is provided by the general partner and is based on historical cost, appraisals and market values discounted for concentration of ownership and other estimates. The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Transfers are measured at fair value on the date the transfer takes place. The Foundation recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

The Investment Committee periodically monitors the investment portfolios for consistency in each investment manager's investment philosophy, return relative to objectives and investment risk measured by asset concentration, exposure to extreme economic conditions and volatility.

The following table presents the Foundation's investments with a reported NAV at December 31, 2022:

		Unfunded commitment	Redemption frequency	Redemption notice
Fairmont Partners	$ 6,543	$ -	Annually	N/A
Goldman Sachs Hedge Fund Managers Ltd.	6,844,174	-	Quarterly	91 days
Marathon European Credit Opportunity Fund II, Ltd.	140,511	-	N/A	N/A
Hawkes Bay	1,087,155	-	N/A	N/A
Garnet Absolute Return Fund	3,241	-	Quarterly	90 days
Gateway Fund Class Y	232,026	-	N/A	N/A
Nuveen S&P 500 Buy-Write Income Fund	241,692	-	N/A	N/A
Total hedge funds	8,555,342	-		
Goldman Sachs PrivateCredit Managers II Offshore	1,815,546	998,935	N/A	N/A
Goldman Sachs PrivateCredit Managers IV Offshore	159,956	2,127,500	N/A	N/A
Goldman Sachs Private Equity Managers 2016	1,254,788	310,734	N/A	N/A
Goldman Sachs Private Equity Managers 2017	1,885,706	272,014	N/A	N/A
Goldman Sachs Private Equity Managers 2018	924,412	271,199	N/A	N/A
Goldman Sachs Private Equity Managers 2019	1,660,748	563,627	N/A	N/A
Goldman Sachs Private Equity Managers 2020	740,067	621,974	N/A	N/A
Goldman Sachs Private Equity Managers 2021	443,379	1,160,178	N/A	N/A
Goldman Sachs Vintage VII Offshore LP	897,600	545,007	N/A	N/A
Goldman Sachs Vintage VIII Offshore LP	2,367,012	1,044,451	N/A	N/A
Goldman Sachs Vintage IX B Offshore LP	60,000	2,940,000	N/A	N/A
Goldman Sachs E&F Private Equity Managers Offshore	(5,299)	1,800,000	N/A	N/A
Goldman Sachs E&F Private Equity Managers	-	1,400,000	N/A	N/A
Silverfleet	1,624,912	-	N/A	N/A
Blackstone Real Estate	1,450,283	-	N/A	N/A
Ironwood Institutional	2,537,644	-	N/A	N/A
Portfolio Advisors Secondary Fund *V Offshore LP	468,479	-	N/A	N/A
Total private equity	18,285,233	14,055,619		

		Unfunded commitment	Redemption frequency	Redemption notice
Charles Schwab/ Transcend Wealth	11,762,829	-	N/A	N/A
Charles Schwab/ Williams Jones Wealth Mgmt	174,862	-	N/A	N/A
Pursuit Credit Special Opportunity Fund	486,316	-	Quarterly	60 days
CDI HoldingCo, LLC	3,706,889	-	N/A	N/A
TPC Broadband LP	3,266,333	-	N/A	N/A
Sun Capital Partners VIII, LP	804,239	2,149,212	N/A	N/A
SW Soccer Acquiror LP	3,355,102	144,898	N/A	N/A
Bow River Capital Software Growth Eqty Fund II	137,346	1,848,437	N/A	N/A
Arcadia 2023 Reinsurance Investors LP	1,014,000	-	N/A	N/A
Cohesive Capital Fund IV	-	2,000,000	N/A	N/A
First Close Partners II QP, LP	-	200,000	N/A	N/A
Newark Venture Partners	3,483,714	-	N/A	N/A
RH Capital Fund II, LP	65,891	162,500	N/A	N/A
Legacy XI Limited Partnership	34,763	960,000	N/A	N/A
M Squared Impact Partners Fund I, LP	40,531	931,642	N/A	N/A
Castle Knight Offshore LTD	272,978	-	N/A	N/A
Beliada M3 Ventures	312,679	-	N/A	N/A
Saxum GP Fund I	250,000	-	N/A	N/A
Saxum 2-10 GP LLC	738,000	-	N/A	N/A
Saxum 180 River Road GP LLC	344,000	-	N/A	N/A
Private Co-Investment Opportunities II LP	490,576	9,424	N/A	N/A
Ridgewood Energy	34,500	-	N/A	N/A
Red Leaf	29,764	-	N/A	N/A
Bow River Capital RE Fund II LP	200,974	63,325	N/A	N/A
Light Street Beacon II LP	214,537	199,170	N/A	N/A
Golub Capital BDC 3, Inc.	183,755	3,000	N/A	N/A
Golub Capital Partners Intl 12 LP	450,000	50,000	N/A	N/A
ArrowMark Global Opportunity III	403,643	-	N/A	N/A
Portfolio Advisors Secondary Fund IV Offshore	468,479	117,072	N/A	N/A
Simon Quick Chapin Fund Ltd	2,662,286	-	N/A	N/A
ArrowMark Income Opportunity Fd Ltd	701,276	-	N/A	N/A
Total limited partnerships	36,090,262	8,838,680		
Total	$ 62,930,837	$ 22,894,299		

The following table presents the Foundation's investments with a reported NAV at December 31, 2021:

		Unfunded commitment	Redemption frequency	Redemption notice
Fairmont Partners	$ 10,106	$ -	Annually	N/A
Goldman Sachs Hedge Fund Managers Ltd.	6,689,422	-	Quarterly	91 days
Marathon European Credit Opportunity Fund II, Ltd.	520,552	-	N/A	N/A
Hawkes Bay	1,056,905	-	N/A	N/A
Garnet Absolute Return Fund	3,241	-	N/A	N/A
Total hedge funds	8,280,226	-		

		Unfunded commitment	Redemption frequency	Redemption notice
Goldman Sachs PrivateCredit Managers II Offshore	1,309,568	1,271,434	N/A	N/A
Goldman Sachs Private Equity Managers 2016	1,280,788	310,734	N/A	N/A
Goldman Sachs Private Equity Managers 2017	1,864,081	262,799	N/A	N/A
Goldman Sachs Private Equity Managers 2018	698,870	372,036	N/A	N/A
Goldman Sachs Private Equity Managers 2019	1,159,586	743,563	N/A	N/A
Goldman Sachs Private Equity Managers 2020	406,644	920,044	N/A	N/A
Goldman Sachs Private Equity Managers 2021	22,992	1,575,548	N/A	N/A
Goldman Sachs Vintage VII Offshore LP	956,447	520,217	N/A	N/A
Goldman Sachs Vintage VIII Offshore LP	1,610,013	1,472,606	N/A	N/A
Silverfleet	1,624,912	-	N/A	N/A
Blackstone Real Estate	1,370,905	-	N/A	N/A
Ironwood Institutional	2,561,544	-	N/A	N/A
Portfolio Advisors Secondary Fund *V Offshore LP	306,669	-	N/A	N/A
Total private equity	15,173,019	7,448,981		
Charles Schwab/ Transcend Wealth	11,125,094	-	N/A	N/A
Charles Schwab/ Williams Jones Wealth Mgmt	217,815	-	N/A	N/A
Pursuit Credit Special Opportunity Fund	486,316	-	Quarterly	60 days
CDI HoldingCo, LLC	988,793	-	N/A	N/A
TPC Broadband LP	1,397,901	-	N/A	N/A
Newark Venture Partners	2,663,064	59,068	N/A	N/A
RH Capital Fund II, LP	74,976	162,500	N/A	N/A
Castle Knight Offshore LTD	258,069	-	N/A	N/A
Beliada M3 Ventures	216,656	33,344	N/A	N/A
Saxum GP Fund I	303,656	-	N/A	N/A
Private Co-Investment Opportunities II LP	456,068	43,932	N/A	N/A
Ridgewood Energy	34,500	-	N/A	N/A
Red Leaf	29,171	-	N/A	N/A
Bow River Capital RE Fund II LP	185,846	130,523	N/A	N/A
Light Street Beacon II LP	-	279,000	N/A	N/A
Golub Capital BDC 3, Inc.	174,183	3,000	N/A	N/A
Golub Capital Partners Intl 12 LP	450,000	50,000	N/A	N/A
ArrowMark Global Opportunity III	418,883	-	N/A	N/A
Simon Quick Chapin Fund Ltd	3,117,390	-	N/A	N/A
ArrowMark Income Opportunity Fd Ltd	1,240,102	-	N/A	N/A
Total limited partnerships	23,838,483	761,367		
Total	$ 47,291,728	$ 8,210,348		

Fairmont Partners - Amounts held at December 31, 2022 and 2021, represent the remaining portion not yet returned from this liquidating hedge fund.

Goldman Sachs Hedge Fund Managers Ltd. - The objective of this fund is to invest in hedge fund managers diversified across sectors, strategies and geographies, focused on identifying managers who may be positioned to take advantage of current market dislocations.

Marathon European Credit Opportunity Fund II, Ltd. - The objective of the fund is to generate alpha and attractive absolute returns for investors by opportunistically deploying and managing capital in special situations and stressed and distressed debt stemming from the European credit crisis, including nonperforming loans, restructurings, bank asset sales, mispriced debt, structured products, capital structure trades and other event-driven opportunities. The amount held at December 31, 2022 and 2021, represents the remaining portion not yet returned from this liquidating hedge fund.

Hawkes Bay -The objective of this fund is to invest in hedge fund managers diversified across sectors, strategies and geographies, focused on identifying managers who may be positioned to take advantage of current market dislocations.

Garnet Absolute Return Fund - The objective of the fund is to generate consistent long-term capital appreciation with moderate volatility and moderate correlation to global markets.

Gateway Fund Class Y - The objective of this fund is to capture the majority of the returns associated with equity market investments, while exposing investors to less risk than other equity investments.

Nuveen S&P 500 Buy-Write Income Fund - The objective of this fund is to generate total return with less volatility than the S&P 500 Index by investing in a global equity portfolio that seeks to substantially replicate the price movements of the S&P 500 Index and by selling index call options covering approximately 100% of the Fund's equity portfolio value with a goal of enhancing the portfolio's risk-adjusted returns.

Goldman Sachs Private Equity Managers - The objective of these fund is to invest in pooled investment vehicles via capital commitments to the issuers of such investments, pooled investment vehicles purchased from the existing owners of such pooled investments and not from the issuers of such investment transaction structured to share many of the characteristics and economics of such purchase, and privately negotiated transactions, generally sourced on a co-investment basis with certain other co-investment partnerships.

Goldman Sachs Vintage VII, VIII, and IX B Funds - The objective of these funds is to invest in LP Secondaries, Direct Secondaries/Special Situations and other opportunistic investments.

Silverfleet - Silverfleet is a private equity firm with over 30 years of unique experience working with ambitious teams to turn big ideas into international businesses. They strive for superior investment returns by growing high-quality, socially responsible businesses; and use an active ownership model.

Blackstone Real Estate - The objective of these funds is to invest primarily in stabilized, income-generating U.S. commercial real estate across key property types including, multifamily, industrial, hotel, retail and office.

Ironwood Institutional - The objective of these funds is to invest in alternative investments with an objective of capital appreciation with limited variability of returns through a number of pooled investment vehicles.

Portfolio Advisors Secondary Fund *V Offshore LP - The objective of these funds is to invest in special situation funds, private credit funds, real estate funds, secondary and co-investment opportunities, and funds with a geographic focus such as the United States, Europe, and Pan-Asia region.

As of December 31, 2022 and 2021, the Foundation had commitments of $22,894,299 and $8,210,348, respectively, under subscription agreements to fund capital calls of hedge fund and private equity limited partnerships.

Note 8 - Functional expenses

Expenses incurred by the Foundation classified by functional categories for the year ended December 31, 2022 was as follows:

	Program	General and administrative	Fundraising	Total
Grants	$ 147,862,167	$ -	$ -	$ 147,862,167
Charitable partnerships expense	11,723,178	-	47,868	11,771,046
Salaries/wages	1,760,757	449,752	386,619	2,597,128
Payroll taxes	119,960	30,641	26,340	176,941
Employee benefits	328,256	83,847	72,077	484,180
Conferences, meetings, travel	24,673	12,184	-	36,857
Office expense	45,442	88,004	-	133,446
Professional fees	-	351,921	-	351,921
Occupancy costs	37,211	47,700	-	84,911
Computer services	51,200	191,463	-	242,663
Insurance	7,743	58,443	-	66,186
Communications, marketing	58,307	99,919	-	158,226
Dues, subscriptions	3,757	14,713	-	18,470
Depreciation, amortization	-	53,279	-	53,279
Total functional expenses	$ 162,022,651	$ 1,481,866	$ 532,904	$ 164,037,421

	Program	General and administrative	Fundraising
Percentage of total expenses for year ended December 31, 2022:	98.8%	0.9%	0.3%

Expenses incurred by the Foundation classified by functional categories for the year ended December 31, 2021 was as follows:

	Program	General and administrative	Fundraising	Total
Grants	$ 100,870,825	$ -	$ -	$ 100,870,825
Charitable partnerships expense	13,453,383	-	325,276	13,778,659
Salaries/wages	1,524,295	426,254	288,116	2,238,665
Payroll taxes	103,423	28,982	19,590	151,995
Employee benefits	295,608	82,838	55,992	434,438
Conferences, meetings, travel	17,913	10,798	-	28,711
Office expense	105,568	154,059	-	259,627
Professional fees	-	211,072	-	211,072
Occupancy costs	4,238	51,673	-	55,911
Computer services	19,942	125,243	-	145,185
Insurance	6,643	27,892	-	34,535
Communications, marketing	35,080	110,113	-	145,193
Dues, subscriptions	6,041	16,630	-	22,671
Depreciation, amortization	-	53,279	-	53,279
Total functional expenses	$ 116,442,959	$ 1,298,833	$ 688,974	$ 118,430,766

	Program	General and administrative	Fundraising
Percentage of total expenses for year ended December 31, 2021:	98.3%	1.1%	0.6%

Note 9 - Risks and uncertainties

The Foundation invests in various securities and investments. These investments are exposed to various risks such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Note 10 - Grants and pledges payable

Grants and pledges payable are recorded at their estimated fair values and are as follows:

	2022	2021
Grants/pledges payable expected to be paid in		
Less than one year	$ 3,042,731	$ 1,692,882
One to five years	2,077,766	1,623,500
After five years	413,387	-
	$ 5,533,884	$ 3,316,382

Note 11 - Retirement plan

The Foundation sponsors a 401(k) plan. Employees who elect to participate may make voluntary contributions not to exceed the amount specified by law. The plan allows for discretionary employer matching contributions. The Foundation matched employee contributions up to 8% of an eligible employee's salary for 2022 and 2021. The Foundation's contributions amounted to $183,340 and $148,064, respectively, for the years ended December 31, 2022 and 2021.

Note 12 - Charitable gift annuities

The Foundation has several charitable gift annuity contracts funded by gifts of securities and other assets, with specified distributions to be made to a designated charitable beneficiary or beneficiaries over the contracts' terms. The assets are recorded at fair market value when received, and the liability to the donor's charitable beneficiary is recorded at the present value of the estimated future payments to be distributed over the beneficiary's expected life based upon relevant mortality tables. The difference is recorded as an unrestricted or restricted contribution. The discount rates used at December 31, 2022 and 2021, were the IRS discount rates of each gift, with a range of and 1.2% to 7.4% for both years. There were no new gift annuities for the years ended December 31, 2022 and 2021.

Note 13 - Net assets with donor restrictions

As of December 31, 2022 and 2021, net assets with donor restrictions are restricted for the following purposes or periods:

	2022	2021
Subject to expenditures for specific purposes or passage of time		
Agency-restricted funds	$ 9,060,426	$ 6,924,962
Administrative endowment	464,844	-
Field of interest funds	29,671,038	36,894,155
Gift annuities	654,274	1,499,433
Scholarship funds	10,678,984	15,324,606
Community action funds	295,208	329,130
Special projects	15,108,432	19,121,971
	65,933,206	80,094,257
Endowments		
Agency-restricted funds	28,438,003	33,054,791
Field of interest funds	4,958,496	5,630,287
Scholarship funds	4,423,684	4,522,277
Community action funds	1,229,508	1,526,866
Special projects	1,360,123	1,520,236
	40,409,814	46,254,457
Total	$ 106,343,020	$ 126,348,714

Note 14 - Endowment net assets

The Foundation adopted authoritative guidance intended to improve the quality and consistency of financial reporting of endowments held by not-for-profit organizations as of the year ended December 31, 2009. This guidance provides clarity on classifying the net assets associated with donor-restricted endowment funds held by an organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), which serves as a model act for states to modernize their laws governing donor-restricted endowment funds.

The guidance also requires additional disclosures about endowments (both donor-restricted funds and board-designated funds) for all organizations, including those that are not subject to an enacted version of UPMIFA.

Endowment funds

The Foundation's net assets with donor restrictions consist of endowment funds established for a variety of purposes. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

Underwater endowments

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2022, funds with original gift values of $28,303,913, fair values of $26,185,554 and deficiencies of $2,118,359 were reported in net assets with donor restrictions. At December 31, 2021, funds with original gift values of $1,628,942, fair values of $1,561,499 and deficiencies of $67,443 were reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations and continued appropriation for certain programs that was deemed prudent by the Board of Trustees.

Interpretation of relevant law

The Board of Trustees of the Foundation has interpreted state law as requiring the preservation of the value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulation to the contrary. As a result of the interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

1. The duration and preservation of the fund.

2. The purposes of the Foundation and the donor-restricted fund.

3. General economic conditions.

4. The possible effect of inflation and deflation.

5. The expected total return from income and the appreciation of investments.

6. Other resources of the Foundation.

7. The investment policies of the Foundation.

Return objectives and risk parameters
The Foundation has adopted investment and spending policies for endowment assets. The primary objective of the Investment Committee is to provide for adequate, total investment return without undue exposure to market risk to enable the Foundation to accomplish its charitable purpose and to make grants on a continuing and reasonably consistent basis.

Strategies employed for achieving objectives
To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending policy and how the investment objectives relate to spending policy
The Foundation has a policy of appropriating for distribution each year between 4.75% and 5.75% of its endowment fund's average fair value over the prior 16 calendar quarters through the calendar year end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Board of Trustees considers market conditions and the long-term expected return on its investments. This is consistent with the Foundation's objective to provide for adequate total investment return without undue exposure to market risk.

The following table provides information regarding the change in endowment net assets:

	2022	2021
Endowment net assets, beginning	$ 46,254,457	$ 42,322,903
Contributions	1,902,032	701,383
Investment return		
Investment income	1,225,282	1,302,279
Realized gains	221,474	714,034
Unrealized (loss) gain	(6,484,457)	3,173,601
Appropriation for expenditure		
Satisfaction of program restrictions	(2,104,111)	(1,389,943)
Management fees and program expenses	(604,863)	(569,800)
Endowment net assets, ending	$ 40,409,814	$ 46,254,457

Note 15 - Related party transactions

Effective September 1, 2009, CFNJ entered into an affiliation agreement with Southern New Jersey Regional Community Foundation, Inc., a New Jersey not-for-profit corporation founded in 2007 to provide community foundation services to the southernmost eight counties of the State of New Jersey under the name of Community Foundation of South Jersey ("CFSJ"). Both CFNJ and CFSJ are tax-exempt organizations under IRC Section 501(c)(3) and designated as public charities under IRC Section 509(a)(1). CFNJ will provide staff, expertise and financial oversight to CFSJ. The original agreement was for a term of one year through August 31, 2010; subsequently, the agreement was extended to December 31, 2012. Currently, the agreement is in effect on a month-to-month basis. If the agreement is terminated by either party, all funds established by CFSJ during the agreement period will be transferred to CFSJ.

Note 16 - Funds held on behalf of others

The following table summarizes the activity in funds held on behalf of others:

	2022	2021
Funds held on behalf of others, beginning	$ 20,859,663	$ 17,782,886
Contributions	3,455,915	2,980,148
Interest and dividend income	10,000	502,480
Realized and unrealized (loss) gains on investments	(2,172,337)	1,838,759
Distributions	(2,315,683)	(2,244,610)
Net (decrease) increase	(1,022,105)	3,076,777
Funds held on behalf of others, ending	$ 19,837,558	$ 20,859,663

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