

FISA Foundation

Financial Statements

Years Ended June 30, 2022 and 2021
with Independent Auditor's Report

MaherDuessel

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FISA FOUNDATION

YEARS ENDED JUNE 30, 2022 AND 2021

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Independent Auditor's Report

**Board of Directors
FISA Foundation**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of FISA Foundation (FISA), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FISA as of June 30, 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 FISA, 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 FISA's ability to continue as a going concern within 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 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, including omissions, 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 FISA'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 FISA'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.

Maier Duessel

Pittsburgh, Pennsylvania
November 3, 2022

FISA FOUNDATION

STATEMENTS OF FINANCIAL POSITION

YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash	\$ 206,054	\$ 158,398
Investments	42,253,436	48,171,146
Prepaid taxes	-	13,174
Other assets	64,444	6,202
Total Assets	<u>\$ 42,523,934</u>	<u>\$ 48,348,920</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 29,958	\$ 8,319
Grants payable	170,000	152,500
Excise tax payable	3,036	-
Accrued compensation and amounts withheld from compensation	18,722	17,998
Total Liabilities	<u>221,716</u>	<u>178,817</u>
Net Assets:		
Without donor restrictions	42,188,101	48,031,600
With donor restrictions:		
Perpetual in nature	114,117	138,503
Total Net Assets	<u>42,302,218</u>	<u>48,170,103</u>
Total Liabilities and Net Assets	<u>\$ 42,523,934</u>	<u>\$ 48,348,920</u>

See accompanying notes to financial statements.

FISA FOUNDATION

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Net Assets Without Donor Restrictions:		
<hr/>		
Revenues, gains, and other support:		
Contributions	\$ 10,865	\$ 11,118
Investment income (loss), net	(3,804,300)	11,161,827
Other income	-	1,023
	<u>(3,793,435)</u>	<u>11,173,968</u>
Expenses:		
Program expenses:		
Program grants	1,370,232	1,311,432
Direct charitable expenses	258,342	247,997
Total program expenses	<u>1,628,574</u>	<u>1,559,429</u>
Management and general expenses:		
Salaries, wages, and benefits	141,125	143,472
Office operations	188,160	102,349
Insurance	4,009	5,188
Legal and professional	37,400	36,079
Excise tax	34,910	31,574
Other expenses	5,021	1,502
Total management and general expenses	<u>410,625</u>	<u>320,164</u>
Total expenses	<u>2,039,199</u>	<u>1,879,593</u>
Excess (Deficiency) of Revenues, Gains, and Other Support Over Expenses	(5,832,634)	9,294,375
Discontinued operations revenues (expenses):		
Other	(10,865)	(10,865)
Change in Net Assets Without Donor Restrictions	<u>(5,843,499)</u>	<u>9,283,510</u>
Net Assets With Donor Restrictions (Perpetual in Nature):		
<hr/>		
Investment income (loss)	(24,386)	25,139
Change in Net Assets With Donor Restrictions (Perpetual in Nature)	<u>(24,386)</u>	<u>25,139</u>
Change in Net Assets	(5,867,885)	9,308,649
Net Assets:		
<hr/>		
Beginning of year	48,170,103	38,861,454
End of year	<u>\$ 42,302,218</u>	<u>\$ 48,170,103</u>

See accompanying notes to financial statements.

FISA FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Cash Flows From Operating Activities:		
Change in net assets	\$ (5,867,885)	\$ 9,308,649
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net (appreciation) depreciation of investments	6,348,814	(8,924,269)
Change in:		
Prepaid taxes	13,174	680
Other assets	(58,242)	2,605
Accounts payable and accrued compensation	22,363	3,980
Grants payable	17,500	(130,000)
Excise tax payable	3,036	-
Total adjustments	6,346,645	(9,047,004)
Net cash provided by (used in) operating activities	478,760	261,645
Cash Flows From Investing Activities:		
Purchase of investments	(7,134,560)	(8,129,080)
Proceeds from sale of investments	6,703,456	7,880,853
Net cash provided by (used in) investing activities	(431,104)	(248,227)
Net Increase (Decrease) in Cash	47,656	13,418
Cash:		
Beginning of year	158,398	144,980
End of year	\$ 206,054	\$ 158,398
Supplemental Information:		
Excise tax paid	\$ 34,296	\$ 31,239

See accompanying notes to financial statements.

FISA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

1. Organization and Summary of Accounting Policies

Organization

FISA Foundation (FISA) is a private grantmaking foundation that champions equity, justice, safety and inclusion for women, girls, and people with disabilities, combatting systemic racism that impedes progress for these populations in southwestern Pennsylvania. FISA seeks to foster a community that is strong and vibrant, where all members are treated with dignity and respect, are safe and healthy, have fair access to opportunity, and are fully included.

Since 1911, FISA Foundation and its predecessors, Harmarville Convalescent Home for Women and Harmarville Rehabilitation Center (Center), have focused on addressing important but overlooked issues affecting the lives of its target populations. Over the intervening century, FISA's mission has remained consistent, but the nature of its activities has evolved to meet changing needs. Initially the organization provided direct services, and today it provides financial support for a network of nonprofit organizations that benefit women, girls, and people with disabilities.

FISA strives to raise awareness and promote positive systemic change. Besides grantmaking, FISA furthers its mission through a variety of other activities. The most significant of these activities include:

- Developing programming for grantees and partners, including a robust series of virtual events exploring the intersection of disability and race.
- Leading programs like Southwest PA Says No More, a regional effort to address gender-based violence. This collaboration with United Way of Southwest PA and other nonprofits and funders seeks to build community leadership to prevent sexual assault and domestic violence, and this year included a series of educational webinars focused on abuse of people with disabilities.
- Sponsoring classes for grantees and partners on specific accessibility issues related to in person and virtual events and communications.
- Actively participating in the Black Girls Equity Alliance and working on various convenings and reports to address the criminalization of Black girls and students with disabilities.

With its exclusive focus on three underserved and under-funded populations, FISA provides community leadership on issues related to women, girls, and people with disabilities.

FISA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. FISA's net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of FISA and changes therein are reported as follows:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions

Time/Purpose Restrictions – Net assets whose use is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of FISA pursuant to those stipulations. At June 30, 2022 and 2021, FISA had no net assets with donor restrictions for time/purpose restrictions.

Perpetual in Nature – Net assets whose use is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by the actions of FISA. FISA's permanently restricted net assets include FISA's portion of funds held in a perpetual trust.

Cash

Cash consists of demand deposits held in financial institutions.

Investments

Investments in equity securities, debt securities, and alternate investments are stated at fair value based on quoted market prices within active markets. Private equity funds are also carried at fair value as described in Note 2. The cost assigned to investments received by gift is the fair value at the date the gift is received. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in revenues, gains, and other support. Net realized gains/losses are determined using the specific identification method.

FISA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

In accordance with Internal Revenue Service regulations, FISA is generally required to distribute at least 5% of its investable assets each year. After considering the long-term expected return on its investment assets and the possible effect of inflation, FISA's Board of Directors has established a policy of spending only the required 5% of investable assets annually. FISA's investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Funds are invested in a well-diversified asset mix, which includes primarily equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the funds if possible. Therefore, FISA expects its investment assets, over time, to produce an average rate of return of approximately 7% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total investment portfolio, investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Contributions

FISA recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized as revenue until the conditions on which they depend have been met. FISA had no conditional promises to give at June 30, 2022 and 2021.

Furniture, Fixtures, and Equipment

Office furniture, fixtures, and equipment over \$5,000 are recorded at cost. Depreciation is provided by the straight-line method over the estimated useful lives of the related assets.

Grants Payable

Grants payable represents all unconditional grants that have been authorized prior to year-end but remain unpaid as of the statements of financial position date. Conditional grants, that is those with a measurable performance or other barrier and a right of return, are expensed and considered payable in the period the conditions are substantially satisfied. There were no conditional grants at June 30, 2022 and 2021.

FISA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Income Taxes

FISA was incorporated in 1913 as a nonprofit corporation. FISA became subject to tax treatment as a private foundation beginning July 1, 2001, as it no longer qualified as a publicly supported organization. As a private foundation, FISA is qualified as a private, non-operating foundation under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income tax under Section 501(a) of the Internal Revenue Code. FISA is obligated to pay federal excise tax on net investment income. In addition, FISA is obligated to pay income taxes on its unrelated business income, if any. Further, FISA annually files a Form 990PF and, as needed, a Form 990T.

Risks and Uncertainties

Financial instruments, which potentially expose FISA to concentrations of credit risk, include cash and investments in marketable securities. As a matter of policy, FISA maintains cash balances only with financial institutions having a high credit quality. Concentration of credit risk for investments in marketable securities is mitigated by the overall diversification of managed investment portfolios. Investment securities are also exposed to various other risks such as interest rate and market risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near-term and that such change could materially affect the amount reported on the statements of financial position.

Presentation of Expenses on the Statements of Activities

The costs of providing the various programs and other activities have been allocated between program (grants and direct charitable) and management and general expenses in the accompanying statements of activities based on management's estimates of the time and effort devoted to each activity. Program grants and direct charitable expenses are charitable costs, expended for the benefit of others. Direct charitable expenses included on the statements of activities include allocated salary and benefits for direct charitable

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

expenses and other employment costs totaling \$258,342 and \$247,997 in 2022 and 2021, respectively. Management and general expenses relate to administrative operational costs.

Discontinued Operations

The Discontinued Operations referenced in the statements of activities represent cash payments made by FISA that relate to discontinued operations assumed by FISA from the sale of the Center and are considered to be disbursements for charitable purposes pursuant to its private ruling letter.

Adopted Accounting Standard

The provisions of this Standards Update have been adopted and incorporated into these financial statements.

ASU 2020-07, *“Not-For-Profit Entities (Subtopic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets.”* The amendments in this update expand upon the presentation and disclosure of contributed nonfinancial assets to provide the reader of the financial statements a clearer understanding of the types of nonfinancial assets received and how they are utilized and recognized by the not-for-profit organization.

Pending Accounting Standards Updates

The Financial Accounting Standards Board (FASB) has issued Accounting Standards Updates (individually and collectively, ASU) that will become effective in future years as outlined below. Management has not yet determined the impact of these updates on the financial statements.

ASU 2016-02, *“Leases (Topic 842),”* is effective, as delayed, for the financial statements for the year beginning after December 15, 2021. These amendments and related amendments will require lessees to recognize assets and liabilities on the statement of financial position for the rights and obligations created by all leases with terms of more than twelve months. Disclosures also will be required by lessees to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

2. Liquidity and Availability

FISA manages its liquid resources by focusing on investment efforts, through an endowment fund, to ensure the entity has adequate investment returns to cover the grants that are being distributed and direct charitable efforts of FISA. In accordance with FISA's spending policy, as described in Note 1, they have established a policy of spending only the required 5% of investment assets annually. However, investments are available to be spent, if necessary. Included in the endowment is a portion of donor-restricted funds that are not available for general use. FISA prepares detailed budgets and has been very active in fiscal management to ensure the entity remains liquid.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following cash and investments:

	<u>2022</u>	<u>2021</u>
Financial assets, at year-end	\$ 42,459,490	\$ 48,329,544
Donor-imposed restrictions:		
Investments held in perpetuity	<u>(114,117)</u>	<u>(138,503)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 42,345,373</u>	<u>\$ 48,191,041</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

3. Investments

Investments consisted of the following at June 30, 2022 and 2021:

	2022	2021
	<u>Fair Value</u>	<u>Fair Value</u>
Money market accounts	\$ 974,762	\$ 1,030,596
Private equity funds	8,008,969	5,833,847
Fixed income mutual funds	5,370,153	6,667,201
Equity mutual funds	24,719,895	32,808,775
Other investments	3,065,540	1,692,224
Perpetual trust	114,117	138,503
	<u>\$ 42,253,436</u>	<u>\$ 48,171,146</u>

Investment income (loss) consisted of the following for the years ended June 30, 2022 and 2021:

	2022	2021
Dividend and interest income	\$ 1,072,245	\$ 867,694
Unrealized/realized gains (losses)	<u>(4,665,551)</u>	<u>10,571,264</u>
	(3,593,306)	11,438,958
Less: investment expenses	<u>(235,380)</u>	<u>(226,853)</u>
Investment income (loss), net	<u>\$ (3,828,686)</u>	<u>\$ 11,212,105</u>

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value, maximizing the use of observable inputs and minimizing the use of unobservable inputs by requiring that the observable inputs be used when available. Investments whose values are based on quoted market prices in active markets are classified within Level 1. Investments determined by reference to quoted prices for similar investments in active markets are classified within Level 2. Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all.

FISA reports investments at fair value in accordance with fair value accounting standards. 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. These

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

standards require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, the organization reports private equity funds using the net asset value per share as determined by investment managers under the so-called “practical expedient.” The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met. Fair value measurement standards also require the organization to classify these financial instruments into a three-level hierarchy, based upon priority of inputs to the valuation technique or in accordance with the net asset value practical expedient rule.

Determination of Fair Value

FISA measures fair value based upon market price, where available. The carrying amount of cash and cash equivalents approximates fair value due to the short-term nature of these instruments. Fixed income, equity mutual funds and other investments are valued at fair value, which are the amounts reported in the statements of financial position, based on quoted market prices for identical securities in active markets that FISA has the ability to access at the measurement date.

FISA’s investment in private equity funds is accomplished by investment in various limited partnerships or multi-fund pools that are very long lived (often more than 10 years) and illiquid. Limited partnerships are valued at fair value, which are the amounts reported in the statements of financial position, based on the net asset value per share of the fund at June 30, 2022 and 2021. The valuation of each fund is based upon the compilation of the prices from each underlying private equity investment. For the limited partnerships, fair value is based on the best information available and is determined by reference to information including, but not limited to, the following: projected sales, net earnings, earnings before interest, taxes, depreciation and amortization, balance sheets, public or private transactions, valuations for publicly-traded comparable companies, and/or other measures, and consideration of any other pertinent information including the types of securities held and restrictions on disposition. Upon completion of the fund valuation, FISA’s quarterly individual investor valuations are based upon their ownership share of each pool. Per the terms of the limited partnership agreements, FISA cannot withdraw funds or sell funds until the limited partnership liquidates. Liquidation is not expected in the near-term.

FISA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

The following table summarizes investments by fair value measurement categories as of June 30, 2022:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market accounts	\$ 974,762	\$ 974,762	\$ -	\$ -
Fixed income mutual funds	5,370,153	5,370,153	-	-
Equity mutual funds:				
US Large Cap Equity	14,525,218	14,525,218	-	-
European Large Cap Equity	3,869,985	3,869,985	-	-
EAFE Equity	1,185,809	1,185,809	-	-
Japanese Large Cap Equity	1,144,245	1,144,245	-	-
Asia ex-Japan Equity	775,226	775,226	-	-
Emerging Market Equity	2,874,506	2,874,506	-	-
Global Equity	344,906	344,906	-	-
Total equity mutual funds	<u>24,719,895</u>	<u>24,719,895</u>	<u>-</u>	<u>-</u>
Other investments:				
Real Estate & Infrastructure	1,684,349	1,684,349	-	-
Hard Assets	1,381,191	1,381,191	-	-
Total other investments	<u>3,065,540</u>	<u>3,065,540</u>	<u>-</u>	<u>-</u>
Perpetual trust	114,117	-	-	114,117
Total assets in fair value hierarchy	<u>34,244,467</u>	<u>\$ 34,130,350</u>	<u>\$ -</u>	<u>\$ 114,117</u>
Investments measured at net asset value:				
Private equity funds	<u>8,008,969</u>			
Total investments at fair value	<u>\$ 42,253,436</u>			

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

The following table summarizes investments by fair value measurement categories as of June 30, 2021:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market accounts	\$ 1,030,596	\$ 1,030,596	\$ -	\$ -
Fixed income mutual funds	6,667,201	6,667,201	-	-
Equity mutual funds:				
US Large Cap Equity	19,482,468	19,482,468	-	-
European Large Cap Equity	4,893,287	4,893,287	-	-
EAFE Equity	2,221,262	2,221,262	-	-
Japanese Large Cap Equity	1,681,222	1,681,222	-	-
Asia ex-Japan Equity	1,086,356	1,086,356	-	-
Emerging Market Equity	3,444,180	3,444,180	-	-
Global Equity	-	-	-	-
Total equity mutual funds	<u>32,808,775</u>	<u>32,808,775</u>	<u>-</u>	<u>-</u>
Other investments:				
Real Estate & Infrastructure	894,935	894,935	-	-
Hard Assets	797,289	797,289	-	-
Total other investments	<u>1,692,224</u>	<u>1,692,224</u>	<u>-</u>	<u>-</u>
Perpetual trust	<u>138,503</u>	<u>-</u>	<u>-</u>	<u>138,503</u>
Total assets in fair value hierarchy	<u>42,337,299</u>	<u>\$ 42,198,796</u>	<u>\$ -</u>	<u>\$ 138,503</u>
Investments measured at net asset value:				
Private equity funds	<u>5,833,847</u>			
Total investments at fair value	<u>\$ 48,171,146</u>			

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

4. Private Equity Capital Commitments

FISA has entered into agreements to commit capital into various private equity funds. The callable capital can be requested at any time by the fund. The remaining capital commitments as of June 30, 2022 are estimated as follows:

	Amount Committed	Amount Drawn	Amount Distributed	Remaining Capital Commitment
Hirtle Callaghan Private Equity Fund VI	\$ 1,100,000	\$ 980,480	\$ 1,052,876	\$ 119,520
Hirtle Callaghan Private Equity Fund VII	1,175,000	927,554	1,135,148	247,446
Hirtle Callaghan Private Equity Fund VIII	130,000	115,394	146,604	14,606
Hirtle Callaghan Private Equity Fund IX	1,000,000	899,385	1,017,762	100,615
Hirtle Callaghan Private Equity Fund X	1,000,000	876,550	883,671	131,828
Hirtle Callaghan Private Equity Fund XI	1,200,000	939,910	826,859	239,540
Hirtle Callaghan Private Equity Fund XII	2,100,000	1,269,311	139,040	701,253
GCM Grosvenor Advance Feeder Fund	1,000,000	314,139	3,054	682,807
PEG Global Private Equity IX Offshore Special	1,000,000	361,427	4,280	634,293
PEG Global Private Equity X S A	2,000,000	-	-	2,000,000
	<u>\$ 11,705,000</u>	<u>\$ 6,684,150</u>	<u>\$ 5,209,294</u>	<u>\$ 4,871,908</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

5. Endowment Assets

The endowment assets used by FISA to provide income for the maintenance and granting activities is comprised of the various investments held by FISA. During 2022 and 2021, FISA had the following endowment-related investment activities:

	<u>2022</u>	<u>2021</u>
Investment return on endowment assets:		
Interest and dividends	\$ 1,072,245	\$ 867,694
Unrealized gains (losses)	(6,348,814)	8,978,985
Realized gains (losses)	1,683,263	1,592,279
Investment fees	<u>(235,380)</u>	<u>(226,853)</u>
Total investment return on endowment assets	(3,828,686)	11,212,105
Transfers out of endowment	<u>(2,089,024)</u>	<u>(2,039,609)</u>
Total change in endowment funds	(5,917,710)	9,172,496
Endowment Investment Funds:		
Beginning of year	<u>48,171,146</u>	<u>38,998,650</u>
End of year	<u>\$ 42,253,436</u>	<u>\$ 48,171,146</u>

6. Grants Payable

FISA has made unconditional promises to give to other organizations the amounts of \$170,000 and \$152,500 at June 30, 2022 and 2021, respectively. These amounts are reflected on the statements of financial position as grants payable. The total grants payable at June 30, 2022 is expected to be paid during the year ending June 30, 2023.

FISA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

7. Leases

During fiscal year 2013, FISA entered into a ten-year lease for building and office space for its operations and administration. The term of the lease is for the period April 1, 2013 through March 31, 2023. Future minimum lease payments at June 30, 2022 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	<u>\$ 33,806</u>

Lease payments for the years ended June 30, 2022 and 2021 were \$45,075.

8. Related Party Transactions

During 2022 and 2021, certain grants were awarded to grantee organizations with which certain members of the Board of Directors (Board) of FISA are also affiliated as board members. Pursuant to the policies and practices of FISA, the Board was informed about the dual affiliations before voting and the conflicted Board members abstained from voting on those grants.