

# **FISA Foundation**

## Financial Statements

Years Ended June 30, 2024 and 2023  
with Independent Auditor's Report

**MaherDuessel**

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# FISA FOUNDATION

YEARS ENDED JUNE 30, 2024 AND 2023

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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, 2024 and 2023, 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, 2024 and 2023, 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. 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 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 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.

*Mahe Duessel*

Pittsburgh, Pennsylvania  
October 25, 2024

# FISA FOUNDATION

## STATEMENTS OF FINANCIAL POSITION

YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash	\$ 157,805	\$ 152,612
Investments	45,762,997	42,801,576
Prepaid taxes	-	597
Other assets	37,772	40,174
Right-of-use asset - operating lease	259,139	297,354
<b>Total Assets</b>	<b><u>\$ 46,217,713</u></b>	<b><u>\$ 43,292,313</u></b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 16,963	\$ 20,411
Grants payable	480,000	30,000
Excise tax payable	2,202	-
Accrued compensation and amounts withheld from compensation	21,488	18,060
Lease liability - operating	274,341	311,622
<b>Total Liabilities</b>	<b><u>794,994</u></b>	<b><u>380,093</u></b>
<b>Net Assets:</b>		
Without donor restrictions	45,297,566	42,795,309
With donor restrictions:		
Perpetual in nature	125,153	116,911
<b>Total Net Assets</b>	<b><u>45,422,719</u></b>	<b><u>42,912,220</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 46,217,713</u></b>	<b><u>\$ 43,292,313</u></b>

See accompanying notes to financial statements.

# FISA FOUNDATION

## STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
<b>Net Assets Without Donor Restrictions:</b>		
Revenues, gains, and other support:		
Contributions	\$ 11,016	\$ 10,550
Investment income (loss), net	5,137,512	2,736,004
Total revenues, gains, and other support	5,148,528	2,746,554
Expenses:		
Program expenses:		
Program grants	1,900,000	1,444,362
Direct charitable expenses	356,838	272,896
Total program expenses	2,256,838	1,717,258
Management and general expenses:		
Salaries, wages, and benefits	158,913	149,051
Office operations	155,209	185,877
Insurance	5,463	5,471
Legal and professional	37,853	37,190
Excise tax	18,499	24,665
Other expenses	6,126	8,969
Total management and general expenses	382,063	411,223
Total expenses	2,638,901	2,128,481
<b>Excess (Deficiency) of Revenues, Gains, and Other Support Over Expenses</b>	2,509,627	618,073
Discontinued operations revenues (expenses):		
Other	(7,370)	(10,865)
<b>Change in Net Assets Without Donor Restrictions</b>	2,502,257	607,208
<b>Net Assets With Donor Restrictions (Perpetual in Nature):</b>		
Investment income (loss)	8,242	2,794
<b>Change in Net Assets With Donor Restrictions (Perpetual in Nature)</b>	8,242	2,794
<b>Change in Net Assets</b>	2,510,499	610,002
<b>Net Assets:</b>		
Beginning of year	42,912,220	42,302,218
End of year	\$ 45,422,719	\$ 42,912,220

See accompanying notes to financial statements.

# FISA FOUNDATION

## STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ 2,510,499	\$ 610,002
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net (appreciation) depreciation of investments	(3,804,468)	(938,502)
Reduction in the carrying amount of right-of-use assets - operating lease	38,215	-
Change in:		
Prepaid taxes	597	(597)
Other assets	2,402	24,270
Accounts payable and accrued compensation	(20)	(10,209)
Grants payable	450,000	(140,000)
Excise tax payable	2,202	(3,036)
Operating lease liabilities	(37,281)	14,268
Total adjustments	(3,348,353)	(1,053,806)
Net cash provided by (used in) operating activities	(837,854)	(443,804)
<b>Cash Flows From Investing Activities:</b>		
Purchase of investments	(3,547,364)	(4,283,067)
Proceeds from sale of investments	4,390,411	4,673,429
Net cash provided by (used in) investing activities	843,047	390,362
<b>Net Increase (Decrease) in Cash</b>	5,193	(53,442)
<b>Cash:</b>		
Beginning of year	152,612	206,054
End of year	\$ 157,805	\$ 152,612
<b>Supplemental Information:</b>		
Excise tax paid	\$ 15,700	\$ 28,536

See accompanying notes to financial statements.

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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### 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.
- Promoting regional expansion of Disability Lead, an organization that seeks to promote the leadership of individuals with a broad range of disabilities.
- Encouraging grantee organizations to collect board demographics according to best practices, and to diversify board leadership to reflect the communities being served.

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.

#### 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:

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# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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### 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, 2024 and 2023, 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 and corporate lending funds are also carried at fair value as described in Note 3. 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.

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

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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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, 2024 and 2023.

### 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, 2024 and 2023.

### Leases

FISA leases office space. FISA determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the statement of financial position.

ROU assets represent FISA's right to use an underlying asset for the lease term and lease liabilities represent FISA's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the FISA's leases do not provide an implicit rate, the incremental borrowing rate is used which is based on the information available at commencement date in determining the present value of lease

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. FISA's lease terms may include options to extend or terminate the lease when it is reasonably certain that they will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

FISA's lease agreements do not contain any material residual value guarantees or material restrictive covenants. In evaluating contracts to determine if they qualify as a lease, FISA considers factors such as if they have obtained substantially all of the rights to the underlying asset through exclusivity, if they can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

In determining the discount rate used to measure the right-of-use asset and lease liability, FISA uses rates implicit in the lease, or if not readily available, they use their incremental borrowing rate. The incremental borrowing rate is based on an estimated secured rate comprised of a risk-free rate plus a credit spread as secured by FISA's assets. Determining a credit spread as secured by the assets may require significant judgment.

### 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 Pennsylvania nonprofit corporation. FISA is 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 990-PF, Return of Private Foundation, and, as needed, a Form 990-T, Exempt Organization Business Income Tax Return.

### 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

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# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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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 expenses and other employment costs totaling \$356,838 and \$272,896 in 2024 and 2023, 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 2016-13, "*Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.*" This amendment and related amendments require a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. This includes loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The impact of the adoption was not considered material to the financial statements.

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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### 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>2024</u>	<u>2023</u>
Financial assets, at year-end	\$ 45,920,802	\$ 42,954,188
Donor-imposed restrictions:		
Investments held in perpetuity	<u>(125,153)</u>	<u>(116,911)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 45,795,649</u>	<u>\$ 42,837,277</u>

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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### 3. Investments

Investments consisted of the following at June 30, 2024 and 2023:

	2024	2023
	<u>Fair Value</u>	<u>Fair Value</u>
Money market accounts	\$ 263,796	\$ 673,505
Private equity funds	8,426,883	7,196,853
Corporate Lending Funds	1,575,863	1,508,018
Fixed income mutual funds	6,654,297	7,032,625
Equity mutual funds	26,059,920	23,563,929
Other investments	2,657,085	2,709,735
Perpetual trust	125,153	116,911
	<u>\$ 45,762,997</u>	<u>\$ 42,801,576</u>

Investment income (loss) consisted of the following for the years ended June 30, 2024 and 2023:

	2024	2023
Dividend and interest income	\$ 948,313	\$ 969,635
Unrealized/realized gains (losses)	4,425,966	2,037,183
	5,374,279	3,006,818
Less: investment expenses	(228,525)	(268,020)
Investment income (loss), net	<u>\$ 5,145,754</u>	<u>\$ 2,738,798</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.

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# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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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 standards require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, FISA 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 FISA 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, 2024 and 2023. 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, 2024 AND 2023

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FISA's investment in corporate lending funds is accomplished by investment in various newly originated, privately negotiated senior credit investments in high-quality, established upper-middle market companies. Corporate lending funds are value 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, 2024 and 2023. The valuation of each fund is based upon the compilation of the prices from each corporate lending investment. 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, 2024 AND 2023

The following table summarizes investments by fair value measurement categories as of June 30, 2024:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market accounts	\$ 263,796	\$ 263,796	\$ -	\$ -
Fixed income mutual funds	6,654,297	6,654,297	-	-
Equity mutual funds:				
US Large Cap Equity	15,385,837	15,385,837	-	-
US Mid Cap Equity	1,049,556	1,049,556	-	-
US All Cap Equity	264,226	264,226	-	-
European Large Cap Equity	2,476,171	2,476,171	-	-
EAFE Equity	2,665,204	2,665,204	-	-
Japanese Large Cap Equity	1,546,318	1,546,318	-	-
Asia ex-Japan Equity	-	-	-	-
Emerging Market Equity	2,362,895	2,362,895	-	-
Global Equity	309,713	309,713	-	-
Total equity mutual funds	<u>26,059,920</u>	<u>26,059,920</u>	<u>-</u>	<u>-</u>
Other investments:				
Real Estate & Infrastructure	1,607,420	1,607,420	-	-
Hard Assets	1,049,665	1,049,665	-	-
Total other investments	<u>2,657,085</u>	<u>2,657,085</u>	<u>-</u>	<u>-</u>
Perpetual trust	125,153	-	-	125,153
Total assets in fair value hierarchy	<u>35,760,251</u>	<u>\$ 35,635,098</u>	<u>\$ -</u>	<u>\$ 125,153</u>
Investments measured at net asset value:				
Private equity funds	8,426,883			
Corporate lending funds	1,575,863			
Total investments at fair value	<u>\$ 45,762,997</u>			

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

The following table summarizes investments by fair value measurement categories as of June 30, 2023:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market accounts	\$ 673,505	\$ 673,505	\$ -	\$ -
Fixed income mutual funds	7,032,625	7,032,625	-	-
Equity mutual funds:				
US Large Cap Equity	13,539,386	13,539,386	-	-
US Mid Cap Equity	1,196,010	1,196,010	-	-
US All Cap Equity	244,398	244,398	-	-
European Large Cap Equity	1,769,371	1,769,371	-	-
EAFE Equity	2,471,816	2,471,816	-	-
Japanese Large Cap Equity	1,444,870	1,444,870	-	-
Asia ex-Japan Equity	369,648	369,648	-	-
Emerging Market Equity	2,018,518	2,018,518	-	-
Global Equity	509,912	509,912	-	-
Total equity mutual funds	<u>23,563,929</u>	<u>23,563,929</u>	<u>-</u>	<u>-</u>
Other investments:				
Real Estate & Infrastructure	1,695,603	1,695,603	-	-
Hard Assets	1,014,132	1,014,132	-	-
Total other investments	<u>2,709,735</u>	<u>2,709,735</u>	<u>-</u>	<u>-</u>
Perpetual trust	116,911	-	-	116,911
Total assets in fair value hierarchy	<u>34,096,705</u>	<u>\$ 33,979,794</u>	<u>\$ -</u>	<u>\$ 116,911</u>
Investments measured at net asset value:				
Private equity funds	7,196,853			
Corporate lending funds	1,508,018			
Total investments at fair value	<u>\$ 42,801,576</u>			

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

### 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, 2024 are estimated as follows:

	Amount Committed	Amount Drawn	Amount Distributed	Remaining Capital Commitment
Hirtle Callaghan Private Equity Fund VI	\$ 1,100,000	\$ 980,480	\$ 1,064,924	\$ 119,520
Hirtle Callaghan Private Equity Fund VII	1,175,000	927,554	1,198,858	247,446
Hirtle Callaghan Private Equity Fund VIII	130,000	116,269	158,974	13,731
Hirtle Callaghan Private Equity Fund IX	1,000,000	905,222	1,144,893	94,778
Hirtle Callaghan Private Equity Fund X	1,000,000	882,729	1,170,681	125,649
Hirtle Callaghan Private Equity Fund XI	1,200,000	1,045,822	927,904	154,178
Hirtle Callaghan Private Equity Fund XII	2,100,000	1,890,522	168,894	209,478
ASF IX Private Investors Offshore	500,000	60,945	1,854	439,055
GCM Grosvenor Advance Feeder Fund	1,000,000	663,840	32,528	336,160
PEG Global Private Equity IX Offshore Special	1,000,000	579,464	68,042	420,536
PEG Global Private Equity X S A	2,000,000	809,568	-	1,190,432
PEG Global Private Equity XI SCSP	2,000,000	300,000	-	1,700,000
	<u>\$ 14,205,000</u>	<u>\$ 9,162,415</u>	<u>\$ 5,937,552</u>	<u>\$ 5,050,963</u>

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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### 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 2024 and 2023, FISA had the following endowment-related investment activities:

	<u>2024</u>	<u>2023</u>
Investment return on endowment assets:		
Interest and dividends	\$ 948,313	\$ 969,635
Unrealized gains (losses)	3,804,468	938,502
Realized gains (losses)	621,498	1,098,681
Investment fees	<u>(228,525)</u>	<u>(268,020)</u>
Total investment return on endowment assets	5,145,754	2,738,798
Transfers out of endowment	<u>(2,184,333)</u>	<u>(2,190,658)</u>
Total change in endowment funds	2,961,421	548,140
Endowment Investment Funds:		
Beginning of year	<u>42,801,576</u>	<u>42,253,436</u>
End of year	<u><u>\$ 45,762,997</u></u>	<u><u>\$ 42,801,576</u></u>

### 6. Grants Payable

FISA has made unconditional promises to give to other organizations in the amounts of \$480,000 and \$30,000 at June 30, 2024 and 2023, respectively. These amounts are reflected on the statements of financial position as grants payable. Of the total grants payable at June 30, 2024, amounts will be paid as follows:

Year Ending	
June 30,	Amount
2025	\$ 355,000
2026	<u>125,000</u>
	<u><u>\$ 480,000</u></u>

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# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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### 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. The term of the lease has been extended for a period beginning April 1, 2023 through July 31, 2030. Future minimum lease payments at June 30, 2024 are as follows:

The components of lease expense were as follows as of June 30:

	<u>2024</u>
Operating lease cost, including interest	\$ 46,817
Total lease costs	<u>\$ 46,817</u>

Other information related to leases was as follows:

	<u>2024</u>
Supplemental cash flows information:	
Cash paid for amounts included in the measurement of:	
Lease liabilities	
Operating leases	\$ 45,884
Weighted average remaining lease term:	
Operating leases	6.00 years
Weighted average discount rate:	
Operating leases	2.92%

# FISA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

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Future minimum lease payments under non-cancellable leases as of June 30, 2024 are as follows:

Year Ending June 30,	Operating Leases
2025	\$ 47,060
2026	48,237
2027	49,413
2028	50,589
2029	51,766
2030	52,943
Total future minimum lease payments	300,008
Less: interest	(25,667)
Total	<u>\$ 274,341</u>

### 8. Related Party Transactions

During 2024 and 2023, 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.