

**THE WOMEN'S FUND OF CENTRAL OHIO**

**FINANCIAL STATEMENTS**

**June 30, 2022 and 2021**

THE WOMEN’S FUND OF CENTRAL OHIO

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To the Board of Directors  
The Women's Fund of Central Ohio

## Independent Auditor's Report

### **Report on the Financial Statements**

We have audited the accompanying financial statements of The Women's Fund of Central Ohio (WFCO) which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, 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 WFCO 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. 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 WFCO, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 WFCO'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 Responsibility 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

(1)

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 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 WFCO'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 WFCO'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.

*John Gerlach & Company LLP*

Columbus, Ohio  
November 10, 2022

THE WOMEN'S FUND OF CENTRAL OHIO

STATEMENTS OF FINANCIAL POSITION

As of June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 817,448	\$ 775,961
Pledges receivable, net (less allowance of \$1,455 and \$3,627 in 2022 and 2021, respectively)	27,656	68,908
Prepaid expenses	4,591	4,442
Total Current Assets	<u>849,695</u>	<u>849,311</u>
Property and Equipment	90,060	90,060
Less accumulated depreciation	(89,836)	(82,775)
Net Property and Equipment	<u>224</u>	<u>7,285</u>
Other Assets:		
Investments	6,584,574	5,878,578
Beneficial interest in assets held by The Columbus Foundation	718	721
Pledges receivable - long-term, net (less allowance of \$-0- and \$1,850 in 2022 and 2021, respectively)	-	32,690
Deposits	3,012	3,012
Total Other Assets	<u>6,588,303</u>	<u>5,915,001</u>
Total Assets	<u>\$ 7,438,223</u>	<u>\$ 6,771,597</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable	\$ 15,633	\$ 12,874
Accrued liabilities	32,945	64,313
Total Current Liabilities	<u>48,578</u>	<u>77,187</u>
Long-term debt (Paycheck Protection Program Loan)	-	94,685
Total Liabilities	<u>48,578</u>	<u>171,872</u>
Net Assets:		
Net Assets Without Donor Restrictions:		
Board designated - Endowment	2,220,417	2,517,641
Board designated - Grantmaking	269,700	277,300
Operating	263,333	177,749
Total Net Assets Without Donor Restrictions	<u>2,753,450</u>	<u>2,972,690</u>
Net assets with donor restrictions	4,636,195	3,627,035
Total Net Assets	<u>7,389,645</u>	<u>6,599,725</u>
Total Liabilities and Net Assets	<u>\$ 7,438,223</u>	<u>\$ 6,771,597</u>

See Notes to Financial Statements

THE WOMEN'S FUND OF CENTRAL OHIO

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support:			
Contributions	\$ 804,035	\$ 1,475,000	\$ 2,279,035
In-kind contributions	21,169	-	21,169
Change in value of beneficial interest in assets held by The Columbus Foundation	(3)	-	(3)
Investment income, net	28,870	38,157	67,027
Net realized and unrealized gain/(loss) on investments	(325,808)	(434,937)	(760,745)
Paycheck protection program loan forgiveness	94,685	-	94,685
	<u>622,948</u>	<u>1,078,220</u>	<u>1,701,168</u>
Net assets released from restrictions	69,060	(69,060)	-
Total Revenue and Support	<u>692,008</u>	<u>1,009,160</u>	<u>1,701,168</u>
Expenses:			
Program:			
Grants, research and public education	<u>487,225</u>	<u>-</u>	<u>487,225</u>
Support Services:			
Administrative expense	131,905	-	131,905
Fundraising expense	292,118	-	292,118
Total Support Services	<u>424,023</u>	<u>-</u>	<u>424,023</u>
Total Expenses	<u>911,248</u>	<u>-</u>	<u>911,248</u>
Change in Net Assets	<u>(219,240)</u>	<u>1,009,160</u>	<u>789,920</u>
Net Assets at Beginning of Year	2,972,690	3,627,035	6,599,725
Net Assets at End of Year	<u>\$ 2,753,450</u>	<u>\$ 4,636,195</u>	<u>\$ 7,389,645</u>

See Notes to Financial Statements

THE WOMEN'S FUND OF CENTRAL OHIO

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support:			
Contributions	\$ 751,367	\$ 272,719	\$ 1,024,086
In-kind contributions	15,409	-	15,409
Change in value of beneficial interest in assets held by The Columbus Foundation	(4)	-	(4)
Investment income, net	27,558	36,607	64,165
Net realized and unrealized gain/(loss) on investments	514,550	684,596	1,199,146
Paycheck protection program loan forgiveness	90,610	-	90,610
	<u>1,399,490</u>	<u>993,922</u>	<u>2,393,412</u>
Net assets released from restrictions	173,214	(173,214)	-
Total Revenue and Support	<u>1,572,704</u>	<u>820,708</u>	<u>2,393,412</u>
Expenses:			
Program:			
Grants, research and public education	581,739	-	581,739
Support Services:			
Administrative expense	105,861	-	105,861
Fundraising expense	482,323	-	482,323
Total Support Services	<u>588,184</u>	<u>-</u>	<u>588,184</u>
Total Expenses	<u>1,169,923</u>	<u>-</u>	<u>1,169,923</u>
Change in Net Assets	402,781	820,708	1,223,489
Net Assets at Beginning of Year	2,569,909	2,806,327	5,376,236
Net Assets at End of Year	<u>\$ 2,972,690</u>	<u>\$ 3,627,035</u>	<u>\$ 6,599,725</u>

See Notes to Financial Statements

THE WOMEN'S FUND OF CENTRAL OHIO

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2022

	<b>Program</b>	<b>Support Services</b>			<b>Total</b>
	Grants, Research and Public Education	Administrative Expenses	Fundraising Expenses	Total Support Services	
Salaries	\$ 134,394	\$ 36,309	\$ 164,078	\$ 200,387	\$ 334,781
Grants awarded	269,700	-	-	-	269,700
Marketing expense	9,925	-	9,925	9,925	19,850
Equipment expense	2,411	519	2,100	2,619	5,030
Meetings, convenings and events	1,627	-	50,352	50,352	51,979
Dues and subscriptions	-	2,062	8,016	10,078	10,078
Occupancy	32,069	6,894	27,933	34,827	66,896
Postage	373	80	326	406	779
Printing	3,972	854	3,460	4,314	8,286
Payroll processing	3,569	767	3,108	3,875	7,444
Professional fees	21,560	71,109	13,980	85,089	106,649
Supplies	290	62	252	314	604
Travel, vehicle, and staff development	4,641	998	4,042	5,040	9,681
Insurance expense	2,694	579	2,346	2,925	5,619
Other expense	-	-	55	55	55
Technology	-	4,611	900	5,511	5,511
Bank service charges	-	-	5,212	5,212	5,212
Bad debt	-	-	(3,967)	(3,967)	(3,967)
Total Expense Before Depreciation	<u>487,225</u>	<u>124,844</u>	<u>292,118</u>	<u>416,962</u>	<u>904,187</u>
Depreciation	-	7,061	-	7,061	7,061
Total Expenses	<u>\$ 487,225</u>	<u>\$ 131,905</u>	<u>\$ 292,118</u>	<u>\$ 424,023</u>	<u>\$ 911,248</u>

See Notes to Financial Statements



THE WOMEN'S FUND OF CENTRAL OHIO

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2021

	<b>Program</b>	<b>Support Services</b>			<b>Total</b>
	Grants, Research and Public Education	Administrative Expenses	Fundraising Expenses	Total Support Services	
Salaries	\$ 206,276	\$ 37,027	\$ 348,533	\$ 385,560	\$ 591,836
Grants awarded	327,300	-	-	-	327,300
Marketing expense	-	-	1,500	1,500	1,500
Equipment expense	1,783	482	2,554	3,036	4,819
Meetings, convenings and events	589	-	1,305	1,305	1,894
Dues and subscriptions	-	1,206	5,893	7,099	7,099
Occupancy	23,685	6,401	33,928	40,329	64,014
Postage	55	478	200	678	733
Printing	2,088	409	411	820	2,908
Payroll processing	4,641	964	6,805	7,769	12,410
Professional fees	7,830	44,444	58,500	102,944	110,774
Supplies	-	167	44	211	211
Travel, vehicle, and staff development	5,373	1,452	8,915	10,367	15,740
Insurance expense	1,735	469	2,485	2,954	4,689
Technology	384	4,171	5,533	9,704	10,088
Bank service charges	-	-	3,392	3,392	3,392
Bad debt	-	-	2,325	2,325	2,325
Total Expense Before Depreciation	<u>581,739</u>	<u>97,670</u>	<u>482,323</u>	<u>579,993</u>	<u>1,161,732</u>
Depreciation	-	8,191	-	8,191	8,191
Total Expenses	<u>\$ 581,739</u>	<u>\$ 105,861</u>	<u>\$ 482,323</u>	<u>\$ 588,184</u>	<u>\$ 1,169,923</u>

See Notes to Financial Statements

THE WOMEN'S FUND OF CENTRAL OHIO

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 789,920	\$ 1,223,489
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Net realized and unrealized (gain)/loss on investments	760,745	(1,199,146)
Change in beneficial interest in assets held by The Columbus Foundation	3	4
Depreciation	7,061	8,191
Bad debt expense	(3,967)	2,325
Forgiveness of Paycheck Protection Program Loan	(94,685)	(90,610)
Donor restricted endowment contributions	(1,400,000)	-
Decrease (increase) in assets:		
Pledges receivable	77,911	81,780
Prepaid expenses	(149)	69,545
Increase (decrease) in liabilities:		
Accounts payable	2,759	12,080
Accrued liabilities	(31,368)	7,713
Net Cash Provided by Operating Activities	<u>108,230</u>	<u>115,371</u>
Cash Flows from Investing Activities:		
Purchases of investments	(3,787,881)	(6,589,506)
Proceeds from sales and maturities of investments	2,321,138	6,525,501
Net Cash Provided (Used) by Investing Activities	<u>(1,466,743)</u>	<u>(64,005)</u>
Cash Flows from Financing Activities:		
Proceeds from contributions restricted for investment in permanently restricted net assets	1,400,000	-
Proceeds from borrowing	-	94,685
Net Cash Provided by Financing Activities	<u>1,400,000</u>	<u>94,685</u>
Increase (Decrease) in Cash and Cash Equivalents	<u>41,487</u>	<u>146,051</u>
Cash and Cash Equivalents - Beginning of Year	775,961	629,910
Cash and Cash Equivalents - End of Year	<u>\$ 817,448</u>	<u>\$ 775,961</u>

See Notes to Financial Statements

# THE WOMEN'S FUND OF CENTRAL OHIO

## NOTES TO FINANCIAL STATEMENTS

June 30, 2022

### 1. Organization

The Women's Fund of Central Ohio (WFCO) is a nonprofit foundation that was established in 2001. The mission of WFCO is *"To transform the lives of women and girls by mobilizing the collective power and passion of all women working together."* WFCO was organized to provide programs including grantmaking, research, public education, technical assistance and advancing philanthropy by women.

### 2. Summary of Significant Accounting Policies

#### Exempt Status

WFCO received a determination letter from the Internal Revenue Service dated May 30, 2002, stating that it is exempt from Federal income taxes under IRC Section 501(c)(3). WFCO is organized as an Ohio nonprofit corporation and, as such, is exempt from state income taxes.

WFCO has adopted the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) relating to uncertain tax positions. WFCO does not believe its financial statements include any uncertain tax positions.

#### Financial Statement Presentation

Net assets and revenues, gains and support are classified based on donor imposed restrictions. Accordingly, net assets of WFCO are classified and reported as follows:

- Without Donor Restrictions – Those resources that are not subject to donor imposed restrictions. Donor restricted contributions whose restrictions are met in the same reporting period, are classified as net assets without donor restrictions.
- With Donor Restrictions – Those resources that are subject to donor imposed restrictions that WFCO maintain them permanently or that will be satisfied by action of WFCO and/or the passage of time.

#### Property and Equipment

Property and equipment are recorded at cost when purchased by WFCO or at fair market value established by donors when received as a contribution. They are depreciated using the straight-line method over the estimated useful lives of three to five years. WFCO capitalizes items with a useful life exceeding one year that have a cost greater than or equal to \$500.

#### Cash Equivalents

Cash equivalents include highly liquid funds with maturities of three months or less when purchased, excluding amounts classified as investments. This would include checking and money market bank accounts.

#### Allowance for Uncollectible Pledges Receivable

The carrying amount of pledges receivable is reduced by a valuation allowance that reflects management's best estimate of amounts deemed uncollectible.

#### Investments

Investments in equity and debt securities with readily determinable market values are reported at fair value. Investments with private investment companies are valued at the latest net asset value made available by the fund manager or administrator prior to the valuation date, which is believed to approximate fair market value.

# THE WOMEN'S FUND OF CENTRAL OHIO

## NOTES TO FINANCIAL STATEMENTS

June 30, 2022

### **2. Summary of Significant Accounting Policies (Continued)**

#### **Contributions**

Contributions, including unconditional promises to give (pledges receivable), are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are recorded at the present value of their net realizable value, using a risk-free interest rate of 3% applicable to the years in which the promises are to be received. WFCO has allocated a reserve for uncollectible pledges based on historical experience in collecting pledges. At June 30, 2022 and 2021, the allowance for uncollectible pledges was \$1,455 and \$5,477, respectively.

Donor restricted support is reported as an increase in donor restricted net assets. When a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. Donor restricted support is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

#### **Donated Services, Materials and Equipment**

WFCO receives donated services from a variety of unpaid volunteers assisting WFCO in providing program services. However, no amounts have been recognized in the accompanying statements of activities because the criteria for recognition of such volunteer efforts has not been satisfied.

WFCO recognizes contribution revenue for marketing, printing, accounting, and event services received at the fair value of those services. During the years ended June 30, 2022 and 2021, contribution revenue recognized for those services totaled \$21,169 and \$15,409, respectively.

#### **Estimates**

Management uses estimates and assumptions when preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

#### **Recent Accounting Pronouncements**

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. WFCO expects the adoption of this new accounting standard to have minimal impact on its financial statements.

THE WOMEN'S FUND OF CENTRAL OHIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**2. Summary of Significant Accounting Policies (Continued)**

**Risk and Uncertainty**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which WFCO operates. It is unknown how long these conditions will last and what the complete financial effect will be to WFCO’s financial position, operations and cash flows.

**3. Pledges Receivable**

Pledges receivable include the following unconditional promises to give as of June 30, net of allowance for uncollectible accounts.

	<u>2022</u>	<u>2021</u>
Pledges receivable	\$ 29,111	\$ 109,535
Less: Present value discount (3%)	-	2,460
Less: Allowance	1,455	5,477
Net Pledges Receivable	<u>\$ 27,656</u>	<u>\$ 101,598</u>
Amounts Due In:		
Less than one year	\$ 27,656	\$ 68,908
One to five years	-	32,690
Total Pledges Receivable	<u>\$ 27,656</u>	<u>\$ 101,598</u>

**4. Operating Leases**

WFCO leases equipment and office space under long-term non-cancelable operating lease agreements with initial or remaining lease terms in excess of one year.

The future minimum rental payments due under these leases are as follows:

<u>For the year ending June 30:</u>	<u>Amount</u>
2023	\$ 67,572
2024	68,792
2025	45,500
Total	<u>\$ 181,864</u>

Total rent expense for the years ended June 30, 2022 and 2021 was \$71,926 and \$68,833, respectively.

THE WOMEN'S FUND OF CENTRAL OHIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**5. Net Assets with Donor Restrictions**

Net assets with donor restrictions are available for the following purposes:

	<u>2022</u>	<u>2021</u>
Time restricted for operations	\$ 22,038	\$ 91,098
Purpose restricted	250,000	175,000
Endowment funds	2,751,426	1,351,426
Earnings on donor restricted endowment funds available for appropriation	1,612,731	2,009,511
Total	<u>\$ 4,636,195</u>	<u>\$ 3,627,035</u>

**6. Investments**

WFCO has an endowment fund held with a private money manager, who invests these funds according to WFCO's investment policy. As of June 30, 2022 and 2021, investments totaled \$6,584,574 and \$5,878,578, respectively.

Investments consisted of the following:

	<u>2022</u>	<u>2021</u>
Money market	\$ 993,790	\$ 100,266
Mutual funds	427,358	637,889
Exchange traded funds	1,245,519	1,455,602
Common stocks	2,965,102	3,057,514
U.S. government bonds	248,059	257,629
Real estate investment trusts	113,478	93,371
Alternative investments	591,268	276,307
Total	<u>\$ 6,584,574</u>	<u>\$ 5,878,578</u>

WFCO began investing in alternative investments during 2021 in order to better diversify its investment risk. These investments may include derivative transactions as part of their portfolio. Net realized and unrealized gains (losses) of \$101,778 and (\$11,193) related to such investments have been recognized in the accompanying statements of activities for 2022 and 2021, respectively. As of June 30, 2022, WFCO is committed to invest an additional \$260,511 in these alternative investments.

WFCO's investments are exposed to various risks such as interest rate, currency, liquidity, market and credit risks. Due to the level of risk associated with the investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect reported amounts. The WFCO's investments are diversified to minimize the impact of these market value fluctuations.

THE WOMEN'S FUND OF CENTRAL OHIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**7. Concentration of Economic Risk**

WFCO maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. WFCO has not experienced any losses in such accounts and does not believe it is exposed to any significant risk on cash and cash equivalents. WFCO also has invested in various securities which are subject to market fluctuations.

**8. Assets and Liabilities – Fair Value Information**

In accordance with the Fair Value Measurements and Disclosures Topic of the FASB ASC, all financial instruments that are being measured and reported on a fair value basis must be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Assets and liabilities measured at fair value on a recurring basis at June 30, 2022 were as follows:

Description	2022			
	Total	Level 1	Level 2	NAV
Money market	\$ 993,790	\$ 993,790	\$ -	\$ -
Mutual fund - bonds	427,358	427,358	-	-
Exchange traded funds - international stocks	313,491	313,491	-	-
Exchange traded funds - bonds	932,028	932,028	-	-
Common stocks - domestic	1,950,019	1,950,019	-	-
Common stocks - international	1,015,083	1,015,083	-	-
U.S. government bonds	248,059	248,059	-	-
Alternative investments - interest in				
limited partnership	66,676	-	-	66,676
global impact fund	524,592	-	-	524,592
Real estate investment trusts	113,478	113,478	-	-
Beneficial interest in assets held by others	718	-	718	-
Total Assets	\$ <u>6,585,292</u>	\$ <u>5,993,306</u>	\$ <u>718</u>	\$ <u>591,268</u>

THE WOMEN'S FUND OF CENTRAL OHIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**8. Assets and Liabilities – Fair Value Information (Continued)**

Assets and liabilities measured at fair value on a recurring basis at June 30, 2021 were as follows:

Description	2021			
	Total	Level 1	Level 2	NAV
Money market	\$ 100,266	\$ 100,266	\$ -	\$ -
Mutual fund - bonds	637,889	637,889	-	-
Exchange traded funds - international stocks	425,145	425,145	-	-
Exchange traded funds - bonds	1,030,457	1,030,457	-	-
Common stocks - domestic	1,985,901	1,985,901	-	-
Common stocks - international	1,071,613	1,071,613	-	-
U.S. government bonds	257,629	257,629	-	-
Alternative investments - interest in	-	-	-	-
limited partnership	30,416	-	-	30,416
global impact fund	245,891	-	-	245,891
Real estate investment trusts	93,371	93,371	-	-
Beneficial interest in assets held by others	721	-	721	-
Total Assets	<u>\$ 5,879,299</u>	<u>\$ 5,602,271</u>	<u>\$ 721</u>	<u>\$ 276,307</u>

The level 2 assets listed above are valued using the market approach and are determined using quoted market prices of similar assets.

The alternative investment assets listed above are valued using the latest NAV made available by the fund manager or administrator prior to the valuation date, which is believed to approximate fair market value. These assets have not been categorized in the fair value hierarchy. The fair value amounts presented are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying statements of financial position.

**9. Endowment Funds**

WFCO's endowment consists of several individual funds established for a variety of purposes. Its endowment includes both donor restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported on the existence or absence of donor imposed restrictions.



THE WOMEN'S FUND OF CENTRAL OHIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**9. Endowment Funds (Continued)**

Interpretation of Relevant Law

The Board of Directors of WFCO has interpreted the State of Ohio's Uniform Prudent Management Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, WFCO classifies as donor restricted net assets for its endowment (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor restricted endowment fund that is not classified in donor restricted net assets for endowment is classified as donor restricted net assets available for appropriation until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, WFCO considers the following factors in making a determination to appropriate or accumulate donor restricted endowment fund:

- (1) The duration and preservation of the donor restricted endowment fund
- (2) The purposes of WFCO and the donor restricted endowment 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 WFCO
- (7) The investment policies of WFCO

Endowment Net Asset Composition by Type of Fund:

	2022		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment funds	\$ 2,220,417	\$ 4,364,157	\$ 6,584,574
Total funds	<u>\$ 2,220,417</u>	<u>\$ 4,364,157</u>	<u>\$ 6,584,574</u>
	2021		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment funds	\$ 2,517,641	\$ 3,360,937	\$ 5,878,578
Total funds	<u>\$ 2,517,641</u>	<u>\$ 3,360,937</u>	<u>\$ 5,878,578</u>

THE WOMEN'S FUND OF CENTRAL OHIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**9. Endowment Funds (Continued)**

Changes in Endowment Net Assets:

	2022		
	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, beginning of year	\$ 2,517,641	\$ 3,360,937	\$ 5,878,578
Total investment return	(297,224)	(396,780)	(694,004)
Contributions	-	1,400,000	1,400,000
Endowment net assets, end of year	<u>\$ 2,220,417</u>	<u>\$ 4,364,157</u>	<u>\$ 6,584,574</u>
	2021		
	Without Donor Unrestriction	With Donor Restriction	Total
Endowment net assets, beginning of year	\$ 1,975,693	\$ 2,639,734	\$ 4,615,427
Total investment return	541,948	721,203	1,263,151
Contributions	-	-	-
Endowment net assets, end of year	<u>\$ 2,517,641</u>	<u>\$ 3,360,937</u>	<u>\$ 5,878,578</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires WFCO to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported in net assets with donor restrictions. WFCO had no such deficiencies as of June 30, 2022 and 2021.

Return Objectives and Risk Parameters

WFCO has adopted an investment policy for endowment assets that attempts to ultimately provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the original value of the endowment assets. Endowment assets include those assets of donor restricted funds that WFCO must hold in perpetuity or for a donor specified period(s) as well as board designated funds. Under its Board approved policy, WFCO's objective for these portfolios is to grow the principal with a moderate level of market risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, WFCO relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and asset allocation that balances long-term return objectives within prudent risk constraints.

THE WOMEN'S FUND OF CENTRAL OHIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**9. Endowment Funds (Continued)**

Spending Policy and How the Investment Objectives Relate to Spending Policy

The spending policy of WFCO allows for the spending of up to a rolling five percent of the prior 3 years of market value, net of expenses and calculated rate of inflation, without invading the principal balance. Because WFCO is currently trying to grow its endowment, no amounts have been appropriated to operations since WFCO's inception. WFCO's objective is to maintain the original value of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

**10. Liquidity and Availability of Financial Assets**

WFCO monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. WFCO has the following financial assets that could be readily made available within one year of the consolidated statement of financial position to fund expenses without limitations:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 817,448	\$ 775,961
Current pledges receivable	27,656	68,908
Investments (excluding alternative investments)	<u>5,993,306</u>	<u>5,602,271</u>
Financial assets, at year-end	<u>6,838,410</u>	<u>6,447,140</u>
Less those unavailable for general expenditures within one year, due to:		
Purpose restricted cash	(250,000)	(175,000)
Donor restricted endowment funds	(4,364,157)	(3,360,937)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,224,253</u>	<u>\$ 2,911,203</u>

WFCO has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition to financial assets available to meet general expenditures over the year, WFCO operates with a balanced budget and anticipates covering its general expenditures by utilizing gifted resources without donor imposed restrictions.

THE WOMEN'S FUND OF CENTRAL OHIO

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**11. Long-Term Debt**

Long-term debt consisted of the following at June 30:

	<u>2022</u>	<u>2021</u>
Paycheck Protection Program loan in association with the Coronavirus Aid, Relief, and Economic Security (CARES) Act, with a bank with a fixed interest rate of 1%. Monthly payments of interest and principal in the amount of \$2,013 were set to begin on December 19, 2021. Under the terms of the CARES Act, WFCO was able to request all or a portion of the loan to be forgiven if WFCO met certain criteria defined by the CARES Act. WFCO applied for and recieved full forgiveness for this loan in fiscal year 2021.	\$ -	\$ 94,685
Total	<u>\$ -</u>	<u>\$ 94,685</u>

**12. Functional Allocation of Expenses**

The costs of providing the program and support services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited. The expenses that are allocated include salaries, occupancy, payroll processing, insurance, and technology, all of which were allocated based upon management's judgement related to the functional use of those items.

**13. Prior Year's Financial Statements**

Certain reclassifications of the 2021 comparative information have been made to conform to the 2022 presentation.

**14. Subsequent Events**

Subsequent events have been evaluated through November 10, 2022 which is the date the financial statements were available to be issued.