

65

Years of

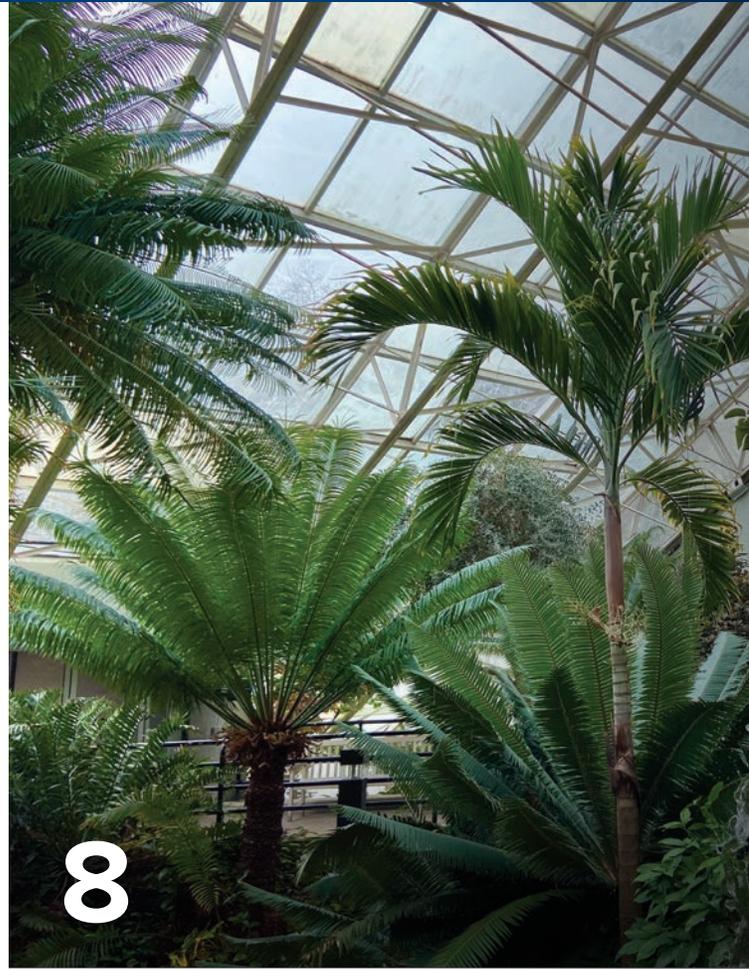
Adapting
Championing
Elevating
Collaborating
Inspiring **Improving**
Leading **Strengthening**
Thriving
Creating

2023 Annual Report



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Welcome Sarah Strimmenos



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Sonder Fellowship Graduation



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*Foellinger-Freimann
Botanical Conservatory*



*The Bandshell Room at
Foellinger Foundation*

65 Years of...

Championing Opportunity

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Board Chair and President's Message

In 2023, Foellinger Foundation celebrated its 65th anniversary. Since our creation in 1958 by Helene and Esther Foellinger, we've carried forward the family's tradition of civic involvement and active concern for the well-being of our community. This milestone is a testament not only to the Foundation's work, but to the lifechanging work being done every day by our grantee partners. This work serves children and families—particularly those with the greatest economic need and the least opportunity.

Because of these nonprofit organizations, Allen County citizens move toward independence, with the ultimate goal of developing recognition of their interdependence. The result of this rewarding work will be a community where everyone has the chance to thrive. We're honored to support and help strengthen the organizations that provide these opportunities to Allen County residents through grants, leadership training, workshops, and more.

As we reflect on this year, and the years before it, we're proud of the Foellinger family's legacy in our community. Since 1958, we've distributed more than \$258 million to Allen County nonprofits. We will continue to carry forward our donor intent—with a foothold in the past, and eyes toward the future—for the next 65 years, and beyond.

Michael C. Moellering
Board Chair

Sarah Strimmenos
President & CEO

About Foellinger Foundation

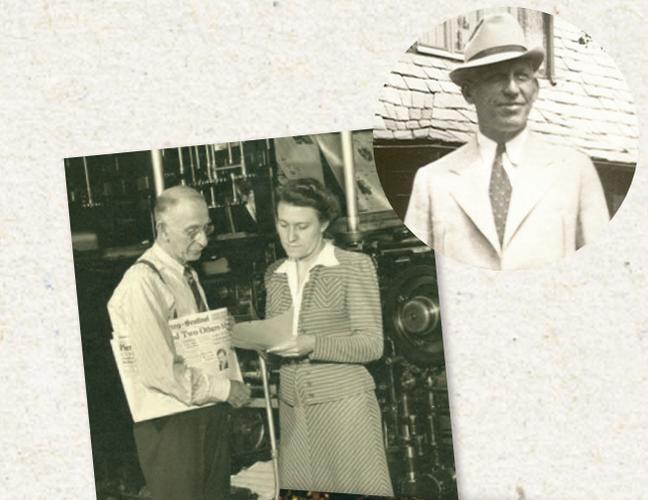
MISSION

We support and strengthen organizations that serve children and their families within Allen County, particularly those that serve individuals with the greatest economic need and the least opportunity.

HISTORY

Foellinger Foundation was created in 1958 by Helene Foellinger and her mother, Esther, to carry forward their family's tradition of civic involvement and active concern for the well-being of their community. Our funding comes from lifetime gifts from Helene, proceeds from Helene and Esther's estates, and contributions from The News Publishing Company. Helene was publisher of *The News-Sentinel* from 1936 to 1981.

Our grantmaking continues to reflect the Foellinger family's interest in encouraging a community of self-reliant citizens, with a commitment to the founders' values and principles: integrity, accountability, responsibility, and results.





[Left to right] Terry Stevens, John C. Snider, Amanda Jamison, Matthew J. Smith, Bev Pazder, Mindy Hurley, John D. Meyer, Dawn Martz, Judy K. Roy, Darryl Olson, Michael C. Moellering, Jodi Zahm, Samuel R. Graves, Sarah M. Strimmenos

Board of Directors

Samuel R. Graves *Vice Chair and Secretary*
President, Strahm Building Solutions

John D. Meyer *Treasurer*
Portfolio Manager, Monarch Capital Management

Michael C. Moellering *Chair*
Partner, Burt, Blee, Dixon, Sutton & Bloom LLP

Judy K. Roy *Director*
Executive Vice President for Finance
and Administration, Indiana Tech

Matthew J. Smith Ph.D. *Director*
Chief Development Officer, Catholic Charities
of the Diocese of Fort Wayne-South Bend

John C. Snider *Director*

Sarah M. Strimmenos *Director*
President & CEO, Foellinger Foundation

Staff

Mindy Hurley
Senior Accountant

Amanda Jamison
Senior Program Officer

Dawn Martz
Chief Program Officer

Darryl Olson
Chief Financial Officer

Bev Pazder
Administrative Assistant

Terry Stevens
Executive Assistant

Sarah Strimmenos
President & CEO

Jodi Zahm
Grants & Communications
Manager

Thank You, David Bennett!

David Bennett served as Interim President & CEO from October 2022–November 2023. We are so grateful for his service. Foellinger Foundation moves into the future stronger because of his generous and insightful leadership during this transition!



Welcome Sarah Strimmenos

Sarah Strimmenos joined Foellinger Foundation as the President & CEO in November 2023, but her history with the Foundation spans 25 years prior.

Sarah was first introduced to the Foundation in 1998, when, as an auditor with a CPA firm, she was assigned to conduct the Foundation's audit. Strimmenos managed the annual audit for ten years, after which she joined the Foundation's audit committee. Her service to the Foundation went on to include nine years on the board of directors.

Her extensive history with, and understanding of, the Foundation has colored her enthusiasm as she assumes this role.

"Since my first interaction with Foellinger Foundation 25 years ago, I have always admired and respected its commitment to following donor intent," said Strimmenos. "To have the greatest impact, we must keep a foothold in the past, with eyes focused to the future."

Strimmenos' experience includes nine years in commercial banking at Old National Bank, where she served as the Fort Wayne Market President since 2020. She also served on the board of directors for the Old National Bank Foundation. Prior to her career in banking, she worked as a CPA with a special interest in foundation work for 20 years.

"When I've spoken with those who worked closely with Helene, they describe her as firm, but fair. They describe her as meticulous," she continued. "First as a CPA, and later as a lender, team leader,

and market leader, these qualities resonate with me deeply. And of course, the family's shared values of integrity, accountability, responsibility, and results have been and will be guiding principles for me."

In the coming year, Sarah will spend significant time getting to know Foundation grantee leaders and listen to learn about challenges facing their organizations. She is excited to embark on a deep-dive review of the Foundation's strategic planning process with our board of directors.

"We know that many grantees are interested in what's next for Foellinger Foundation. They can rest assured knowing that we will communicate openly and transparently, and will continue to honor our donor intent," said Sarah. "I understand the history of this foundation and this family. I am so grateful for their legacy and am committed to carrying that legacy forward. At Foellinger Foundation, we will look through the lens of donor intent to understand the evolving needs of our grantee partners in Allen County and the needs of those they serve. And yes—we will answer the call to help meet those needs."



Anniversary Gift Awarded to Fort Wayne Parks and Recreation

In celebration of its 65th anniversary, the Foellinger Foundation board of directors awarded a three-year \$1,000,000 grant to the Fort Wayne Parks and Recreation department for capital support of the **Foellinger Outdoor Theatre** and **Foellinger-Freimann Botanical Conservatory**.

The Foellinger family cared deeply about nature and the arts, and to commemorate the family members' lives, Helene made significant gifts that reflected their passions.

Advancing Arts & Culture

Oscar Foellinger, Helene's father, loved performing arts and creating opportunities for the public to enjoy them together. Helene went on to serve on the board of directors of many arts nonprofits, because she believed in their importance in the community, instilled in her from a young age.

The Foellinger Outdoor Theatre was originally constructed in 1949 as a gift to the community from Helene Foellinger in memory of her father. Today, the theatre seats 2,751 people, and more than 50,000 people attend concerts, movies, and other functions every year.

Exploring Nature

Much of the Foellinger family's leisure time revolved around animals and nature, and many family vacations involved traveling to national parks and participating in outdoor activities like hiking and fishing. Helene was especially passionate about horses, owning several throughout her lifetime.

Helene's mother, Esther Foellinger, loved gardening, and initially recommended the Foundation board of directors support the establishment of a conservatory in Fort Wayne in 1965. The Foellinger-Freimann Botanical Conservatory opened in 1983 with the support of a gift from Foellinger Foundation. Today, the Conservatory offers 24,500 square feet of indoor gardens. It also maintains four outdoor gardens, and serves thousands of school children, residents, visitors, and other tourists from around the world.

Helene herself played a critical role in the formation of the Fort Wayne Park Foundation, where she was a charter member-director.

Since 1997, Foellinger Foundation has awarded grants totaling more than \$5.4M in capital support of the two venues to Fort Wayne Parks and Recreation. These grants are a continuation of the Foellinger family legacy, as well as a celebration of the community the family has called home since 1836.







Celebrating Sonder Fellows

Foellinger Foundation introduced the Sonder Fellowship in 2022—a leadership training program for BIPOC leaders, by BIPOC leaders, who are living, working, or serving in Southeast Fort Wayne. The program combines individual leadership development with asset-based community development (ABCD) to support opportunities that position the southeast quadrant of Fort Wayne to thrive.

The word *sonder* means “the realization that each passerby has a life as vivid and complex as your own.”

The program hinges on the belief that great leadership starts with the ability and desire to work on yourself, and once you have a connection to yourself, you can grow a connection to each other. The environment in which this is done relies on vulnerability and trust. Sonder graduates shared that the program helped them discover and understand themselves as individual leaders, and also armed them with tools to utilize that knowledge to transform their communities.



The atmosphere at the graduation event was full of life, joy, excitement, pride, and camaraderie. I graduated with friends, many of whom were strangers before that. I've had intimate conversations with them that I haven't had with people who are related to me. I was able to share freely because of the beautiful atmosphere of trust.

YUSANDA BLACKMON



It was a surreal moment to see all the people that you have known from afar and now think of as family. We celebrated the completion of a journey together. A journey of learning more about yourself, about other people in your community, and all the great things going on in the community.

EPHRAIM SMILEY III



The Sonder Fellowship is a year-long program that:

- Focuses on the unique perspectives and experiences of leaders of color living, working, or serving in Southeast Fort Wayne.
- Is made up of leaders representing different agencies and areas of impact, to deepen understanding of community assets.
- Includes a small cohort, allowing leaders to take a deeper dive and be vulnerable with each other.
- Includes all-day in-person sessions once a month, as well as out-of-classroom work, and experiential learning opportunities.
- Includes one-on-one executive coaching outside of monthly sessions.

In 2022, nineteen Southeast leaders graduated from the program, and in 2023, seventeen graduated!

The 2022 Sonder Alumni continued to meet throughout 2023 on a quarterly basis to build upon the foundation they developed together. Alumni programming will continue into 2024.

Join us in celebrating these Fellows for their past accomplishments, and all they will continue to do to uplift residents in their communities!

Learn more about the Sonder Fellowship, and watch the *Awakening & Transforming* video series about their experiences, at foellinger.org/sonder.



Graduation from Sonder was bittersweet. It was exciting because I looked around the room, and I knew what everybody went through to get there. I knew the strength and vulnerability that it took. I was also encouraged because I knew how much better we all were for the experience. I knew I was leaving with new partnerships and friendships. People are going to be surprised by how rapidly we grow and change things, and that started in this program.

AMOS NORMAN



2022

Reggie Blackmon
Yusanda Blackmon
Réna Bradley
Zeke Bryant
Annie Davis
Annette Dufor
Regenia Frison-Jones
Reppard Horne
Edward Jones
Geoff King
Lewis King
Greta McKinney
Amos Norman
Joshua Raines
Ephraim Smiley III
Stephanie Taylor
Sharon Tubbs
Jonathon Wattlely
Darrion White

2023

Neco Beasley
Imogene Bibbs
TJ Bohanon
Shaquana Causey
Michelle Chambers
Ranada Clark
Dawn Clopton
Keyonia Cox
Ashley Craig
Toni Irby
Raven Morton
Monique Moss
Rosalina Perez
Chynna Presley
Virginia Richardson
Aisha Smiley
Diane Starks

2023 GRANTEES

A

ACRES Land Trust
 Alive Community Outreach
 Allen County Public Library
 Amani Family Services
 American National Red Cross
 Artlink
 Arts United
 Associated Churches
 Audiences Unlimited

B

Bach Collegium-Fort Wayne
 Big Brothers Big Sisters
 Bloom Project
 Blue Jacket
 Boy Scouts of America
 Boys & Girls Clubs
 Bridge of Grace
 Brightpoint

C

Cancer Services
 CASS Housing
 Catholic Charities of the
 Diocese Fort Wayne-South Bend
 Center for Nonviolence
 City of Fort Wayne
 Community Harvest Food Bank
 Community Transportation Network
 Courageous Healing
 Covenant Community
 Development Corporation
 Cross Connections
 Crossroad Child & Family Services

D

Dr. Bill Lewis Center for Children
 Drive Alive

E

Early Childhood Alliance
 Easterseals Arc of Northeast Indiana
 East Wayne Street Center
 Embassy Theatre
 Erin's House for Grieving Children
 Euell A. Wilson Center

F

Fort Wayne Ballet
 Fort Wayne Children's Choir
 Fort Wayne Children's Zoo

Fort Wayne Cinema Center
 Fort Wayne Civic Theatre
 Fort Wayne Museum of Art
 Fort Wayne Parks and
 Recreation Department
 Fort Wayne Philharmonic
 Fort Wayne Trails
 Fort Wayne Youtheatre
 Foundation for Art and Music
 In Elementary Education (FAME)
 Friends of the Parks of
 Allen County Indiana

G

Gateway Woods Family Services
 Girl Scouts
 Great KIDS make Great COMMUNITIES

H

Harlan Christian Youth Center
 Headwaters Counseling
 Healthier Moms and Babies
 History Center
 Homebound Meals
 Hope Alive
 Hope's Harbor
 Humane Fort Wayne

I

Interfaith Hospitality Network

J

Junior Achievement

L

Little River Wetlands Project
 Lutheran Life Villages
 Lutheran Military Veterans
 and Families Ministries
 Lutheran Social Services of Indiana

M

Martin Luther King Montessori School
 Matthew 25
 Mental Health America
 Miss Virginia's Food Pantry
 Mustard Seed Furniture Bank

N

NeighborLink Fort Wayne
 New Covenant Academy
 Northeast Indiana Fund / Northeast Indiana
 Regional Partnership

Northeast Indiana Innovation Center
 Northeast Indiana Positive
 Resource Connection
 Northeast Indiana Public Radio

O

Out Of A Jam

P

Power House Youth Center

Q

Questa Foundation

R

Redemption House Ministry
 RemedyLIVE

S

SCAN
 Science Central
 SCORE Northeast Indiana
 St. Vincent de Paul Society Fort Wayne
 Stillwater Hospice
 Super Shot

T

The League for the Blind & Disabled
 The Literacy Alliance
 The Rescue Mission
 Trees Indiana
 Turnstone

U

University of St. Francis

V

Vincent Village
 Volunteer Center RSVP
 Volunteer Lawyer Program
 of Northeast Indiana

W

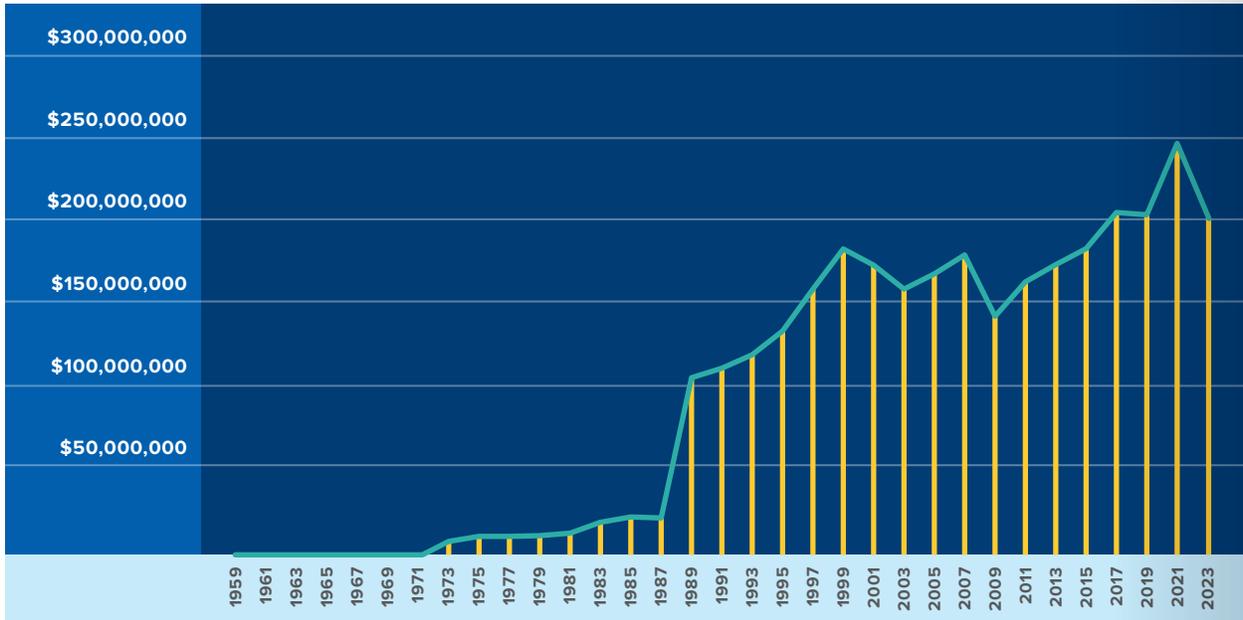
Wellspring Interfaith Social Services
 World Baseball Academy

Y

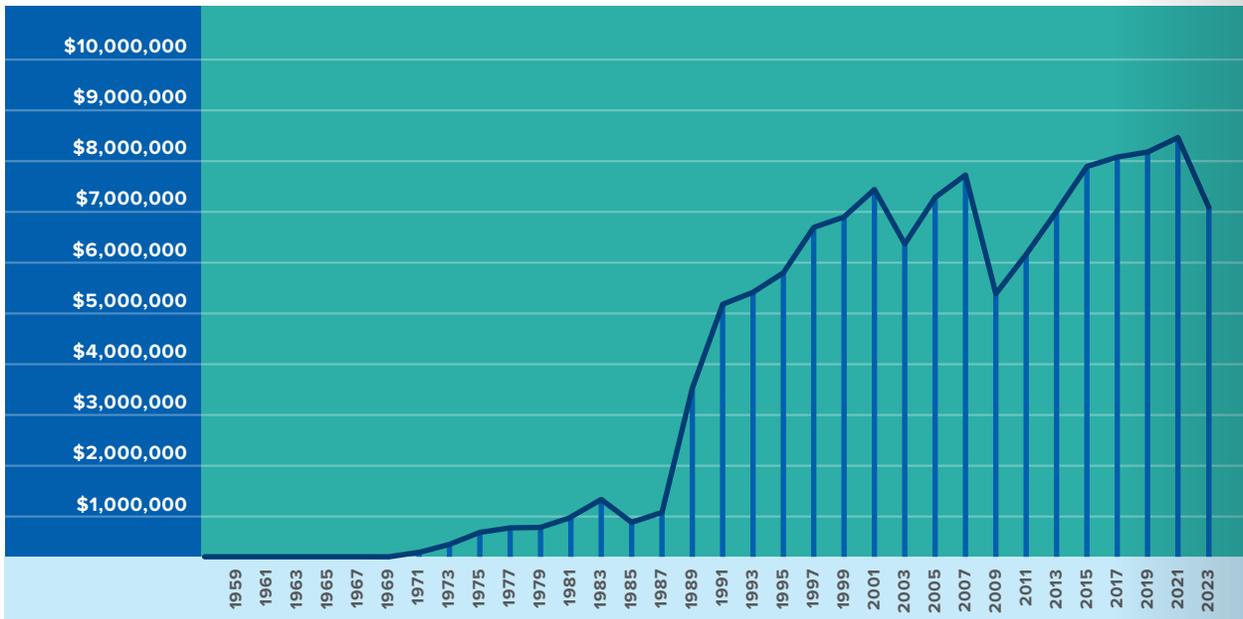
YMCA
 Young Leaders of Northeast
 Indiana (YLNi)
 Youth for Christ
 YWCA



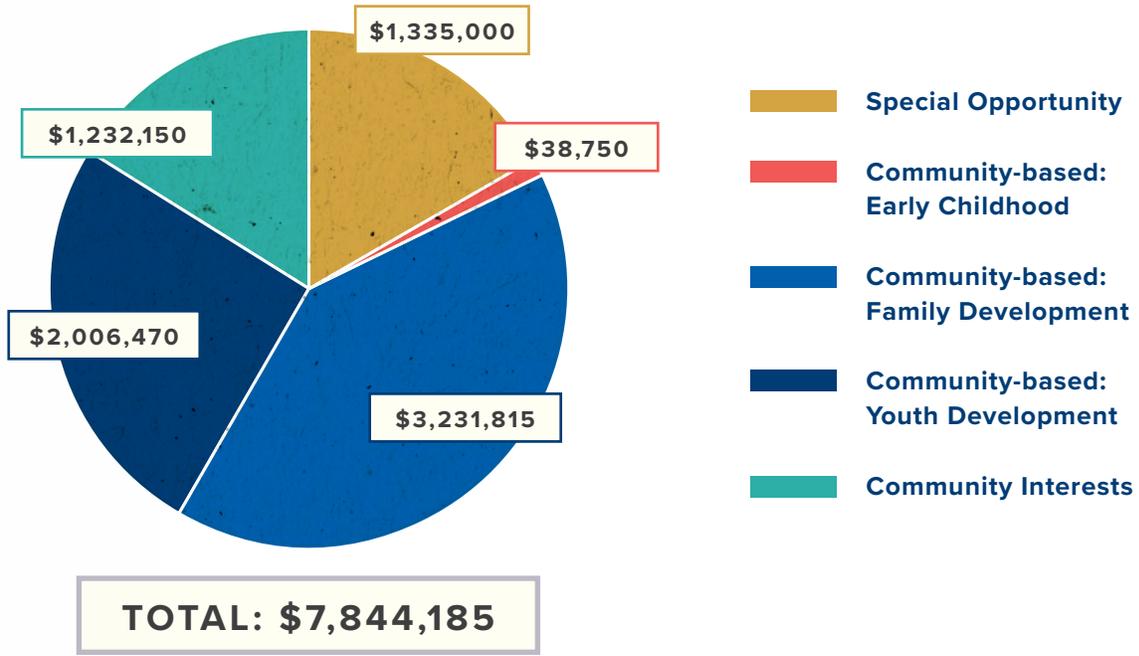
HISTORY OF ASSETS



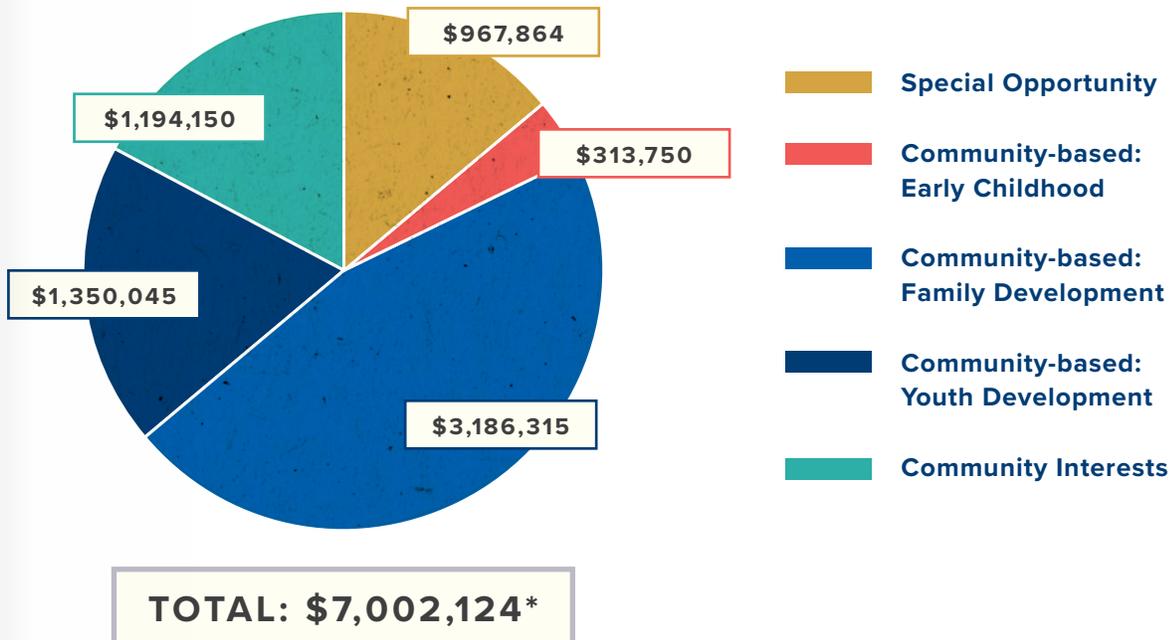
HISTORY OF GRANT PAYMENTS



2023 GRANT APPROVALS



2023 GRANT PAYMENTS



*Total includes (\$10,000) in recovery.

FOUNDATION AUDIT

Financial Statements—Modified Cash Basis

FOELLINGER FOUNDATION, INC.

*Years ended August 31, 2023 and 2022
with Independent Auditor’s Report*

Foellinger Foundation, Inc.

Financial Statements—Modified Cash Basis

Years ended August 31, 2023 and 2022

Contents

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HAINES, ISENBARGER & SKIBA, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Board of Directors
Foellinger Foundation, Inc.

Opinion

We have audited the accompanying financial statements of Foellinger Foundation, Inc. (a nonprofit organization), which comprise the statements of assets and net assets—modified cash basis as of August 31, 2023 and 2022, and the related statements of revenue and expenses—modified cash basis and functional expenses—modified cash basis 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 assets and net assets of Foellinger Foundation, Inc. as of August 31, 2023 and 2022, and its revenue and expenses for the years then ended in accordance with the modified cash basis of accounting as described in *Note 1*.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Foellinger Foundation, Inc. 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.

Basis of Accounting

We draw attention to *Note 1* of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in *Note 1*, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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 Foellinger Foundation, Inc.'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 Foellinger Foundation, Inc.'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.

Haines, Asenbarger & Skiba, LLC

November 6, 2023

Foellinger Foundation, Inc.

Statements of Assets and Net Assets—Modified Cash Basis

	August 31	
	2023	2022
Assets		
Cash	\$ 495,113	\$ 1,210,582
Investments	201,039,620	192,483,040
Property and equipment:		
Land	851,836	851,836
Land improvements	221,483	221,483
Building and improvements	7,087,270	2,967,687
Office furniture and equipment	710,873	172,439
Construction in process	-	439,563
	<u>8,871,462</u>	<u>4,653,008</u>
Less accumulated depreciation	<u>2,750,298</u>	<u>2,543,962</u>
	<u>6,121,164</u>	<u>2,109,046</u>
Other assets	828	2,092
Total assets	<u>\$ 207,656,725</u>	<u>\$ 195,804,760</u>
Net assets without donor restrictions	<u>\$ 207,656,725</u>	<u>\$ 195,804,760</u>

See accompanying notes.

Foellinger Foundation, Inc.

Statements of Revenue and Expenses—Modified Cash Basis

	Year ended August 31	
	2023	2022
Revenue —net investment return	\$ 21,752,075	\$ (37,337,694)
Expenses		
Charitable program expenses:		
Grant payments, net	7,002,124	8,009,433
Direct charitable programs	772,171	953,759
Program management	708,508	905,768
	<u>8,482,803</u>	<u>9,868,960</u>
Other expenses:		
General administration	1,392,707	1,474,800
Federal excise tax, net	24,600	54,166
Total expenses	<u>9,900,110</u>	<u>11,397,926</u>
Increase (decrease) in net assets without donor restrictions	11,851,965	(48,735,620)
Net assets without donor restrictions at beginning of year	195,804,760	244,540,380
Net assets without donor restrictions at end of year	<u><u>\$ 207,656,725</u></u>	<u><u>\$ 195,804,760</u></u>

See accompanying notes.

Foellinger Foundation, Inc.

Statements of Functional Expenses—Modified Cash Basis

	Year ended August 31									
	2023					2022				
	Program Services			Supporting Activities		Program Services			Supporting Activities	
	Direct Charitable Programs	Program Management	Total Program Services Expenses	Management and General	Total Expenses	Direct Charitable Programs	Program Management	Total Program Services Expenses	Management and General	Total Expenses
Grant payments, net	\$ 7,002,124	\$ -	\$ 7,002,124	\$ -	\$ 7,002,124	\$ 8,009,433	\$ -	\$ 8,009,433	\$ -	\$ 8,009,433
Salaries and benefits	106,848	375,187	482,035	389,764	871,799	73,547	551,778	625,325	446,531	1,071,856
Contract labor	-	72,950	72,950	109,425	182,375	-	-	-	-	-
Professional fees	572,659	206,566	779,225	404,133	1,183,358	806,195	232,659	1,038,854	643,800	1,682,654
Professional development	-	22,556	22,556	16,402	38,958	2,595	26,474	29,069	15,274	44,343
Occupancy	-	-	-	164,984	164,984	-	-	-	154,211	154,211
Insurance	2,250	3,500	5,750	13,222	18,972	-	4,320	4,320	14,244	18,564
Conferences/travel	2,000	3,174	5,174	2,389	7,563	10,269	6,129	16,398	17,096	33,494
Event expenses	63,588	-	63,588	-	63,588	41,987	-	41,987	2,871	44,858
Supplies	23,033	1,960	24,993	57,846	82,839	19,166	186	19,352	33,731	53,083
Communications/technology	1,793	22,615	24,408	28,207	52,615	-	84,222	84,222	20,261	104,483
Depreciation	-	-	-	206,335	206,335	-	-	-	112,229	112,229
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	14,552	14,552
Federal excise tax	-	-	-	24,600	24,600	-	-	-	54,166	54,166
Total expenses	\$ 7,774,295	\$ 708,508	\$ 8,482,803	\$ 1,417,307	\$ 9,900,110	\$ 8,963,192	\$ 905,768	\$ 9,868,960	\$ 1,528,966	\$ 11,397,926

See accompanying notes.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis

August 31, 2023

1. Organization and Summary of Significant Accounting Policies

The mission of Foellinger Foundation, Inc. (Foundation) is:

to provide grants, leadership training, conferences, workshops, and thought-leading speakers and other forms of support to strengthen organizations that serve children and their families within Allen County, particularly those that serve individuals with the greatest economic need and the least opportunity.

The Foundation is a private, charitable foundation that was created in 1958 by Helene R. Foellinger, *The News-Sentinel's* publisher from 1936 to 1980, and Esther A. Foellinger, her mother. Its funding comes from lifetime gifts from Helene Foellinger, proceeds from Helene and Esther Foellinger's estates and contributions from The News Publishing Company until *The News-Sentinel* was sold in 1980.

Helene and Esther Foellinger expected their funds would be managed as effectively as possible. The Foundation focuses the Foellinger family gifts strategically. It invests in grants to organizations led by the people who have demonstrated leadership, a relentless focus on mission and a commitment to results. The Foundation strives to help people in Allen County advance from needing help, to helping themselves to helping one another, the measure discernible effects. Each year the Foundation awards millions of dollars in grants to dozens of nonprofits to benefit all residents of Allen County, Indiana.

Basis of Accounting

The Foundation has elected to present its financial statements using the modified cash basis of accounting, which differs from accounting principles generally accepted in the United States of America. Revenue is recognized when received rather than earned with the exception of unrealized gains and losses on investments. Expenses are recognized when paid rather than when incurred. Investments are recorded at fair values based on quoted market prices or dealer quotes. Purchased assets with estimated useful lives of more than one year are capitalized and depreciated or amortized over the asset lives. The financial statements are not intended to comply with accounting principles generally accepted in the United States of America.

Cash

All highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents, except those short-term investments managed as part of long-term investment strategies. The Foundation maintains its cash with a high credit quality financial institution. From time to time during the year, the Foundation's cash accounts exceeded federally insured limits primarily due to the transfer of funds to pay for grants awarded.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

1. Organization and Summary of Significant Accounting Policies (continued)

Investments

Investments are reported at fair value. Net investment return is reported in the statements of revenue and expenses—modified cash basis and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See *Note 3* for discussion of fair value measurements.

Purchases and sales are recorded on a settlement-date basis. Interest income and dividends are recorded on a received or payment date basis. Capital gain distributions are included in realized gains.

Net realized and unrealized investment gains or losses are determined by comparison of asset cost, using the specific identification method, to net proceeds received at the time of sale and changes in the difference between market values and cost, respectively.

The Foundation's investment portfolio consists of a diverse mix of investments, without concentration of risk by type, industry or geographic area, which are managed by professional investment managers in compliance with the investment policy established by the Board of Directors. Investments are exposed to various risks, such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of investments may occur in the near term and that such changes could materially affect account balances.

Property and Equipment

Property and equipment are stated at cost or if donated, at fair market value at date of donation, except for property and equipment that have been impaired. For impaired assets, the carrying amount is reduced to the estimated fair market value. There were no impaired property or equipment assets as of August 31, 2023 or 2022. The Foundation capitalizes building improvements which cost \$5,000 or more and other fixed assets which cost \$2,500 or more and have a useful life of one year or more.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

1. Organization and Summary of Significant Accounting Policies (continued)**Property and Equipment (continued)**

Depreciation is computed by the straight-line method over the following estimated useful lives:

Land improvements	15 years
Building	40 years
Building improvements	15-20 years
Office furniture and equipment	3-10 years

Expenditures for normal repairs and maintenance are expensed when paid.

Use of Estimates

Preparation of the financial statements using the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Liquidity

The Foundation's financial assets available to meet cash needs for general expenditures within one year of August 31 include:

	August 31	
	2023	2022
Cash	\$ 495,100	\$ 1,210,600
Money market fund	215,800	769,400
Commercial paper	2,735,900	2,903,100
Fixed income investments	42,656,100	47,333,800
Investments at net asset value	155,129,900	141,476,700
Other assets	800	2,100
	\$ 201,233,600	\$ 193,695,700

The Foundation structures its financial assets to be available and liquid as its general expenditures become due. Although the Foundation does not intend to liquidate financial assets other than for amounts needed for general expenditures budgeted during the year, these amounts could be made available if necessary.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

2. Liquidity (continued)

The Foundation's financial assets are not subject to donor or other contractual restrictions. The Foundation endeavors to maintain six weeks of planned expenditures, approximately \$1,200,000, at the beginning of each month. To manage liquidity, the Foundation forecasts its monthly planned expenditures and then liquidates a portion of its investments each month. The selection process for investment liquidation is based upon the Foundation's tactical asset allocation.

Proceeds from the sale of fixed income investments are available three business days after the trade date. Proceeds from the sale of investments at net asset value are available on the first business day of each month.

3. Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820 (ASC 820), *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

3. Fair Value Measurements (continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at August 31, 2023 and 2022.

Money Market Funds: Valued at the quoted market prices in an exchange and active market, which represent the net asset value (NAV) of shares owned by the Foundation at year-end.

Government Bonds, Government Agency Bonds, Municipal Bonds and Corporate Bonds: Valued based on a compilation of primary observable market information or broker quotes in non-active markets.

Preferred Securities: The preferred securities held by the Foundation are hybrid securities with characteristics of both subordinated debt and preferred stock. These securities are valued at the closing market price on the active market on which the underlying securities are traded.

Alternative Investments: Investments in the Global Private Equity Partners IV and Secondary Partners IV funds are valued at estimated fair value based on the periodic financial information received from the investment advisor whose underlying assets are valued using prices and other relevant information generated by market transactions involving identical or comparable assets, appraised values or other valuation methodology. As of August 31, 2023, the Foundation has invested \$220,000 in the Global Private Equity Partners IV Fund and has committed to invest an additional \$7,780,000. As of August 31, 2023, the Foundation has committed to invest \$2,000,000 in the Secondary Partners IV Fund.

Commingled Global Equity Fund: Valued at the NAV of units of the commingled global equity fund. The fund seeks to add value above the return of its benchmark, the Morgan Stanley Capital International (MSCI) All Country World Index (ACWI), over a full market cycle while reducing risk through diversification of manager allocations. The fund may invest in equity securities of foreign companies and may use derivatives as part of its investment strategy, including futures, options, foreign currency contracts and swaps. The investment manager of the fund claimed an exemption under Commodity Futures Trading Commission Rule 4.7, which provides the investment manager an exemption from regulation as a commodity pool operating with respect to the fund. Pursuant to this rule, the investment manager is not required to comply with the disclosure, reporting and recordkeeping requirements generally applicable to registered commodity pool operators.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

3. Fair Value Measurements (continued)

The NAV, as provided by the administrator of the fund, Commonfund Asset Management Company, Inc., a wholly owned subsidiary of The Common Fund for Nonprofit Organizations, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities, and then divided by the number of shares outstanding. The commingled global equity fund has monthly redemptions and five day trading terms. The commingled global equity fund has no unfunded commitments as of August 31, 2023 and 2022.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of August 31, 2023 and 2022:

	Assets at Fair Value as of August 31, 2023			
	Level 1	Level 2	Level 3	Total
Money market funds	\$2,951,633	\$ -	\$ -	\$ 2,951,633
Fixed-income securities				
Government bonds	-	14,009,873	-	14,009,873
Government agency bonds	-	4,559,929	-	4,559,929
Municipal bonds	-	5,343,029	-	5,343,029
Corporate bonds	-	18,264,639	-	18,264,639
Preferred securities	-	478,677	-	478,677
Alternative investments				
Private equity funds	-	-	301,959	301,959
	\$2,951,633	\$ 42,656,147	\$ 301,959	45,909,739
Commingled global equity fund measured at net asset value				155,129,881
Total investments at fair value				\$ 201,039,620

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

3. Fair Value Measurements (continued)

	Assets at Fair Value as of August 31, 2022			
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 3,672,561	\$ -	\$ -	\$ 3,672,561
Fixed-income securities				
Government bonds	-	14,053,386	-	14,053,386
Government agency bonds	-	5,756,681	-	5,756,681
Municipal bonds	-	7,470,049	-	7,470,049
Corporate bonds	-	19,556,474	-	19,556,474
Preferred securities	-	497,206	-	497,206
	<u>\$ 3,672,561</u>	<u>\$47,333,796</u>	<u>\$ -</u>	<u>51,006,357</u>
Commingled global equity fund measured at net asset value				141,476,683
Total investments at fair value				<u>\$ 192,483,040</u>

The changes in assets classified as Level 3 are as follows:

Year ended August 31, 2023

Balance at beginning of year	\$ -
Purchases	220,000
Net operating loss	(181,587)
Net realized and unrealized gain	263,546
Balance at end of year	<u>\$ 301,959</u>

4. Employee Benefit Plan

The Foundation maintains a defined contribution benefit plan for the benefit of employees who have completed one year of service. The Foundation provides a matching contribution of 100 percent of the employee's contribution up to 1.5 percent of eligible employee compensation and a fixed contribution of 10 percent of eligible employee compensation. The Foundation's contribution to the plan was \$76,814 and \$99,032 for the years ended August 31, 2023 and 2022, respectively.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

5. Federal Excise Taxes

The United States Treasury Department has advised that the Foundation is exempt from federal income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code. The Foundation is subject to federal excise taxes imposed on private foundations at 1.39 percent. The excise tax is imposed on net investment income, as defined under federal law, which includes interest, dividends and net realized gains on the sale of investments. Management believes the Foundation is no longer subject to examination, by tax authorities for the year before August 31, 2020.

6. Grant Commitments

At August 31, 2023, the Foundation had approved, but not yet paid, unconditional grants and conditional future grants of \$6,314,500 through fiscal 2027 which, based on specific grant agreements, are expected to be paid as follows:

Year ended August 31, 2024	\$ 3,859,500
Year ended August 31, 2025	1,555,000
Year ended August 31, 2026	630,000
Year ended August 31, 2027	270,000
	\$ 6,314,500

7. Subsequent Events

Management has evaluated subsequent events through November 6, 2023, the date on which the financial statements were available to be issued.

Find More Support!

In addition to grants and leadership training, Foellinger Foundation offers the following opportunities and resources to our grantee partners to strengthen their abilities to serve our community.



Barbara Burt Innovative Leader Fund

The Barbara Burt Innovative Leader Fund provides grants to nonprofit board members for unique learning experiences. Participants are encouraged to think innovatively, develop adaptive leadership skills, network with other nonprofit board members, and explore best practices within nonprofit organizations. Board members may apply for funding to attend conferences, workshops, webinars, or other events.

Learn more and apply at foellinger.org/leaderfund.



Five with Foellinger

Five with Foellinger is an original web video series highlighting important board leadership topics like culture, succession planning, diversity, and more—each in five minutes. Five with Foellinger videos are designed to spark conversation and prompt debate around common challenges nonprofit boards face.

How to use Five with Foellinger videos:

- Play a video during a board meeting.
- Share one-on-one with a fellow board member.
- Use the provided worksheets to guide discussion.

Watch the videos at foellinger.org/five.



Reserve a Meeting Space

Our office was originally built in 1992. Founder Helene Foellinger envisioned it as a convening space where Allen County nonprofit leaders collaborated and ideated ways to address our community's most crucial issues. We updated our building in 2023 to bring that vision to life.

The newly renovated building includes four rooms that are available for use by 501(c)(3) Allen County nonprofits at no cost. Host your next meeting with us!

Request a room reservation at foellinger.org/request-a-room.

LEARN
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Thank you

Thank you to Allen County's nonprofit leaders, staffs, board members, and volunteers—and the generous donors who support them. Your commitment continues to move us closer to a community of self-reliant citizens, every day. We remain committed to supporting your important work.

Together, we champion opportunity.





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