

MACAULAY HONORS  
COLLEGE FOUNDATION

Financial Statements

June 30, 2023 and 2022

(With Independent Auditors' Report Thereon)

MACAULAY HONORS COLLEGE FOUNDATION

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Macaulay Honors College Foundation:

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Macaulay Honors College Foundation (the Foundation) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Macaulay Honors College Foundation as of June 30, 2023 and 2022, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation 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 the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Auditors' 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 auditors' 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 audits.
- 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 audits 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 the Foundation'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 the Foundation'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 audits.

EFPR Group, CPAs, PLLC

Williamsville, New York  
September 20, 2023

MACAULAY HONORS COLLEGE FOUNDATION  
 Statements of Financial Position  
 June 30, 2023 and 2022

<u>Assets</u>	<u>2023</u>	<u>2022</u>
Assets:		
Cash and equivalents	\$ 3,717,830	2,030,733
Contributions receivable, net	4,928,717	321,593
Investments	6,863,417	6,406,064
Prepaid expenses	<u>266,228</u>	<u>227,031</u>
Total assets	<u>\$ 15,776,192</u>	<u>8,985,421</u>
<u>Liabilities and Net Assets</u>		
Liabilities:		
Accounts payable	1,487	-
Accrued expenses	<u>5,000</u>	<u>26,300</u>
Total liabilities	<u>6,487</u>	<u>26,300</u>
Net assets:		
Without donor restrictions	155,835	119,496
With donor restrictions	<u>15,613,870</u>	<u>8,839,625</u>
Total net assets	<u>15,769,705</u>	<u>8,959,121</u>
Total liabilities and net assets	<u>\$ 15,776,192</u>	<u>8,985,421</u>

See accompanying notes to financial statements.

MACAULAY HONORS COLLEGE FOUNDATION  
Statement of Activities  
Year ended June 30, 2023

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Revenue, gains and other support:			
Contributions	\$ 338,433	7,472,525	7,810,958
Contributed nonfinancial assets	889,695	-	889,695
Net gain on investments	42,969	353,038	396,007
Other income	6,300	5,440	11,740
Net assets released from restrictions	<u>1,106,074</u>	<u>(1,106,074)</u>	<u>-</u>
Total revenue, gains and other support	<u>2,383,471</u>	<u>6,724,929</u>	<u>9,108,400</u>
Expenses:			
Program services	1,141,531	-	1,141,531
Support services	<u>1,156,285</u>	<u>-</u>	<u>1,156,285</u>
Total expenses	<u>2,297,816</u>	<u>-</u>	<u>2,297,816</u>
Change in net assets	85,655	6,724,929	6,810,584
Net assets at beginning of year	119,496	8,839,625	8,959,121
Transfers of net assets	<u>(49,316)</u>	<u>49,316</u>	<u>-</u>
Net assets at end of year	<u>\$ 155,835</u>	<u>15,613,870</u>	<u>15,769,705</u>

See accompanying notes to financial statements.

MACAULAY HONORS COLLEGE FOUNDATION  
Statement of Activities  
Year ended June 30, 2022

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Revenue, gains and other support:			
Contributions	\$ 345,039	926,811	1,271,850
Contributed nonfinancial assets	991,358	-	991,358
Net loss on investments	(888)	(799,866)	(800,754)
Other income	3,903	72,767	76,670
Net assets released from restrictions	<u>787,196</u>	<u>(787,196)</u>	<u>-</u>
Total revenue, gains and other support	<u>2,126,608</u>	<u>(587,484)</u>	<u>1,539,124</u>
Expenses:			
Program services	1,187,844	-	1,187,844
Support services	<u>928,273</u>	<u>-</u>	<u>928,273</u>
Total expenses	<u>2,116,117</u>	<u>-</u>	<u>2,116,117</u>
Change in net assets	10,491	(587,484)	(576,993)
Net assets (deficit) at beginning of year	(981,878)	10,517,992	9,536,114
Transfers of net assets	<u>1,090,883</u>	<u>(1,090,883)</u>	<u>-</u>
Net assets at end of year	<u>\$ 119,496</u>	<u>8,839,625</u>	<u>8,959,121</u>

See accompanying notes to financial statements.

MACAULAY HONORS COLLEGE FOUNDATION  
Statement of Functional Expenses  
Year ended June 30, 2023

	Program Services			Support Services				
	Faculty and <u>academics</u>	Student <u>support</u>	Communications and <u>outreach</u>	Total program <u>services</u>	<u>Fundraising</u>	Management and <u>general</u>	Total support <u>services</u>	<u>Total</u>
Opportunities fund/scholarship	\$ -	667,500	-	667,500	-	-	-	667,500
Printing and copying	301	-	-	301	24,282	2,161	26,443	26,744
Honoraria/stipends	150	43,216	-	43,366	-	-	-	43,366
Events and college expenses	23,053	66,875	26	89,954	281,540	6,565	288,105	378,059
Professional fees	-	-	-	-	23,148	50,205	73,353	73,353
Personnel and office space	-	204,516	128,309	332,825	642,478	122,083	764,561	1,097,386
Other	-	3,156	4,429	7,585	3,696	127	3,823	11,408
Total	<u>\$ 23,504</u>	<u>985,263</u>	<u>132,764</u>	<u>1,141,531</u>	<u>975,144</u>	<u>181,141</u>	<u>1,156,285</u>	<u>2,297,816</u>

See accompanying notes to financial statements.



MACAULAY HONORS COLLEGE FOUNDATION  
Statement of Functional Expenses  
Year ended June 30, 2022

	<u>Program Services</u>				<u>Support Services</u>			
	<u>Faculty and academics</u>	<u>Student support</u>	<u>Communications and outreach</u>	<u>Total program services</u>	<u>Fundraising</u>	<u>Management and general</u>	<u>Total support services</u>	<u>Total</u>
Opportunities fund/scholarship	\$ -	521,780	-	521,780	-	-	-	521,780
Printing and copying	-	-	37,135	37,135	4,468	-	4,468	41,603
Honoraria/stipends	6,575	35,674	-	42,249	-	-	-	42,249
Events and college expenses	84,416	137,827	-	222,243	30,249	3,540	33,789	256,032
Professional fees	-	-	-	-	-	23,365	23,365	23,365
Personnel and office space	-	223,964	124,707	348,671	701,452	165,199	866,651	1,215,322
Other	-	15,766	-	15,766	-	-	-	15,766
Total	<u>\$ 90,991</u>	<u>935,011</u>	<u>161,842</u>	<u>1,187,844</u>	<u>736,169</u>	<u>192,104</u>	<u>928,273</u>	<u>2,116,117</u>

See accompanying notes to financial statements.

MACAULAY HONORS COLLEGE FOUNDATION  
Statements of Cash Flows  
Years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Change in net assets	\$ 6,810,584	(576,993)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net (gain) loss on investments	(262,823)	801,243
Increase in present value discount	225,379	7,644
Changes in:		
Contributions receivable	(4,832,503)	78,205
Prepaid expenses	(39,197)	(124,404)
Accounts payable	1,487	(9,981)
Accrued expenses	<u>(21,300)</u>	<u>(4,544)</u>
Net cash provided by operating activities	<u>1,881,627</u>	<u>171,170</u>
Cash flows from investing activities:		
Distributions from investment in limited partnership	-	105,127
Proceeds from sale of investments	34,060	192,871
Purchases of investments	<u>(228,590)</u>	<u>(299,586)</u>
Net cash used in investing activities	<u>(194,530)</u>	<u>(1,588)</u>
Net change in cash and equivalents	1,687,097	169,582
Cash and equivalents at beginning of year	<u>2,030,733</u>	<u>1,861,151</u>
Cash and equivalents at end of year	<u>\$ 3,717,830</u>	<u>2,030,733</u>

See accompanying notes to financial statements.

# MACAULAY HONORS COLLEGE FOUNDATION

## Notes to Financial Statements

June 30, 2023 and 2022

### (1) Nature of Organization

Macaulay Honors College Foundation (the Foundation), a not-for-profit corporation incorporated in New York in 2001, assists the charitable, educational and intellectual endeavors of Macaulay Honors College (the College), which is a college of The City University of New York (CUNY), and promotes the image and general welfare of the College. The Foundation also provides financial support to the College by holding, administering and disposing of gifts and grants, without profit, for the benefit of the College.

### (2) Summary of Significant Accounting Policies

#### (a) Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### (b) Basis of Presentation

The Foundation reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions represents resources available for the general support of the Foundation's activities. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Foundation.

#### (c) Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### (d) Cash and Equivalents

For purposes of the statements of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

#### (e) Concentrations

At times, the Foundation's cash and equivalents may exceed federally insured limits. At June 30, 2023 and 2022, the Foundation's cash balances were in excess of the insurable limit. The Foundation monitors its financial institutions and the concentration of credit risk on a regular basis and does not anticipate nonperformance by the financial institutions.

## MACAULAY HONORS COLLEGE FOUNDATION

### Notes to Financial Statements, Continued

#### (2) Summary of Significant Accounting Policies, Continued

##### (f) Endowment

The Foundation's endowment was established by donations made directly to the Foundation. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of explicit donor-imposed restrictions. See note 7 for endowment detail.

New York Prudent Management of Institutional Funds Act (NYPMIFA) was enacted on September 17, 2010 and removes the prohibition on appropriations below the historic dollar value of endowment funds absent explicit donor stipulations to the contrary.

In accordance with NYPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the various funds.
2. The purposes of the donor-restricted endowment funds.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Foundation.
7. The investment policies of the Foundation.

##### (g) Fair Value of Financial Instruments

The Foundation has material financial instruments for which disclosure of estimated fair value is required by certain accounting standards and which consist of cash, investments, contributions receivable and accounts payable. The carrying values of these financial instruments as of June 30, 2023 and 2022 are believed to approximate fair value based on their maturities and current market conditions.

##### (h) Investments

The Foundation's investments are held by CUNY in an investment pool which is under the control of the Committee on Fiscal Affairs of the Board of Trustees of CUNY (the Committee) totaling \$6,503,846 and \$6,233,549 at June 30, 2023 and 2022, respectively. Several investment advisory firms are engaged to assist the Committee in its investment pool portfolio management, which is comprised of cash and cash equivalents, corporate bonds, equities, mutual funds, U.S. agency mortgage-backed securities, U.S. government bonds and foreign bonds. The Foundation, and the College it supports, benefit from the assets held for the benefit of the College by CUNY that are available for the use of the College at the direction of the Foundation. The Foundation also has an investment in a limited partnership which is reported at its fair value of \$157,000 and \$170,000 at June 30, 2023 and 2022, respectively. Additionally, the Foundation has an investment containing cash and equivalents reported at a fair value of \$202,571 and \$2,515 at June 30, 2023 and 2022. Realized and unrealized gains and losses are included in the statements of activities as changes in net assets without donor restrictions, unless their use is restricted by explicit donor stipulations or by law.

## MACAULAY HONORS COLLEGE FOUNDATION

### Notes to Financial Statements, Continued

#### (2) Summary of Significant Accounting Policies, Continued

##### (i) Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the net present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until conditions are substantially met. Interest is not charged or recorded on outstanding receivables.

##### (j) Revenue Recognition

Contributions are recognized as support in the accompanying statements of activities upon the receipt of cash, investments or unconditional pledges. Contributions are considered available for unrestricted use unless specifically restricted by the donors. Restricted contributions in which the restriction is met in the same period as received are reported as contributions without donor restrictions.

##### (k) Functional Allocation of Expenses

The costs of providing the Foundation's various programs and services have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are allocated based on direct allocation of all costs to each different type of program.

##### (l) Subsequent Events

The Foundation has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

##### (m) Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code); therefore, no provision for income taxes is reflected in the financial statements. The Foundation has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Foundation presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Foundation has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Foundation are subject to examination by taxing authorities.

MACAULAY HONORS COLLEGE FOUNDATION

Notes to Financial Statements, Continued

(3) Liquidity

The Foundation has \$8,646,547 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$3,717,830 of cash and equivalents and \$4,928,717 of net receivables. However, some of these financial assets are subject to donor or contractual restrictions that make them unavailable for general expenditure within one year of the 2023 statement of financial position.

(4) Contributions Receivable

At June 30, 2023 and 2022, the Foundation's contributions receivable were estimated to be due as follows:

	<u>2023</u>	<u>2022</u>
Due within one year	\$ 1,897,474	120,860
One to five years	<u>3,264,266</u>	<u>208,377</u>
	5,161,740	329,237
Less - discount to present value	<u>(233,023)</u>	<u>(7,644)</u>
Total	\$ <u>4,928,717</u>	<u>321,593</u>

(5) Investments

Fair Value Measurements and Disclosures

A framework has been established 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 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 assets or liabilities; and
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

MACAULAY HONORS COLLEGE FOUNDATION

Notes to Financial Statements, Continued

(5) Investments, Continued

Fair Value Measurements and Disclosures, Continued

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

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. There have been no changes in the methodologies used at June 30, 2023 and 2022.

Cash and equivalents are carried at fair value and classified as Level 1 assets.

The investment in the limited partnership is carried at its original cost basis and is reported at its fair value in the accompanying statements of financial position. At June 30, 2023 and 2022, the Foundation's investment in the limited partnership of \$157,000 and \$170,000, respectively, is a Level 3 asset.

The Foundation recognizes transfers between levels in the fair value hierarchy at the end of each year. There were no such transfers during the years ended June 30, 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.

Investments consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash and equivalents	\$ 202,571	2,515
CUNY investment pool	6,503,846	6,233,549
Limited partnership	<u>157,000</u>	<u>170,000</u>
Total	\$ <u>6,863,417</u>	<u>6,406,064</u>

Changes in assets measured at fair value using Level 3 inputs for the year ended June 30, 2023 are as follows:

	Balance <u>July 1, 2022</u>	<u>Additions</u>	<u>Distributions</u>	Unrealized/ realized <u>gains (losses)</u>	Balance <u>June 30, 2023</u>
Limited partnership	\$ <u>170,000</u>	<u>-</u>	<u>-</u>	<u>(13,000)</u>	<u>157,000</u>

MACAULAY HONORS COLLEGE FOUNDATION

Notes to Financial Statements, Continued

(5) Investments, Continued

Changes in assets measured at fair value using Level 3 inputs for the year ended June 30, 2022 are as follows:

	Balance <u>July 1, 2021</u>	<u>Additions</u>	<u>Distributions</u>	Unrealized/ realized <u>gains (losses)</u>	Balance <u>June 30, 2022</u>
Limited partnership	\$ 680,000	-	(105,127)	(404,873)	170,000

Investments in CUNY Investment Pool and Related Investment Income

The Foundation's investments in the investment pool are comprised of assets which are pooled and invested by and under the control of the Committee. Pooled investments include equity and fixed income securities. Investments as of June 30, 2023 and 2022 amounted to \$6,503,846 and \$6,233,549, respectively.

The following table summarizes the activity of investments during the years ended June 30, 2023 and 2022:

Balance at June 30, 2021	\$ 6,525,719
Additions	207,881
Interest and dividends	68,767
Realized gain	175,440
Unrealized loss	(551,386)
Withdrawals	<u>(192,872)</u>
Balance at June 30, 2022	6,233,549
Interest and dividends	90,334
Realized gain	98,416
Unrealized gain	177,407
Withdrawals	<u>(95,860)</u>
Balance at June 30, 2023	\$ <u>6,503,846</u>



MACAULAY HONORS COLLEGE FOUNDATION

Notes to Financial Statements, Continued

(6) Net Assets With Donor Restrictions

At June 30, 2023 and 2022, net assets with donor restrictions are available for the following purposes:

	<u>2023</u>	<u>2022</u>
Time or purpose restricted:		
Opportunities fund/scholarship	\$ 2,762,869	1,950,676
Communications and outreach	2,701,736	-
Faculty and academics	3,236,352	366,641
Student support	431,776	31,135
Other	556,433	491,669
Endowment:		
Charles K. Williams Endowment Fund	736,949	736,949
William E. Macaulay Endowment Fund	5,127,755	5,140,755
Mary C. Pearl Endowment Fund	-	61,800
Liu Wei Shiming Endowment Fund	<u>60,000</u>	<u>60,000</u>
Total	\$ <u>15,613,870</u>	<u>8,839,625</u>

(7) Endowment

The Foundation classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified assets allocation that places an emphasis on fixed income investments to achieve its long-term return objectives within prudent risk parameters.

The spending policy calculates the amount of money annually distributed from the Foundation's various endowment funds for grant making and administration. The current spending policy is to distribute 4% of the endowment assets.

MACAULAY HONORS COLLEGE FOUNDATION

Notes to Financial Statements, Continued

(7) Endowment, Continued

Changes in endowment net assets for the years ended June 30, 2023 and 2022 are as follows:

	<u>Time</u> <u>restrictions</u>	<u>Endowment</u> <u>restrictions</u>	<u>Total</u>
Endowment net assets, June 30, 2021	\$ 232,714	6,301,623	6,534,337
Additions/deletions	207,881	102,754	310,635
Investment loss, net	(44,129)	(404,873)	(449,002)
Amounts appropriated for expenditure	<u>(192,872)</u>	<u>-</u>	<u>(192,872)</u>
Endowment net assets, June 30, 2022	203,594	5,999,504	6,203,098
Additions/deletions	-	(61,800)	(61,800)
Investment income (loss), net	366,156	(13,000)	353,156
Amounts appropriated for expenditure	<u>(34,060)</u>	<u>-</u>	<u>(34,060)</u>
Endowment net assets, June 30, 2023	\$ <u>535,690</u>	<u>5,924,704</u>	<u>6,460,394</u>

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 NYPMIFA requires the Foundation to retain as a fund of perpetual duration. As of June 30, 2023 and 2022, the loss from underwater investments totaled \$4,872,245 and \$4,859,245, respectively, and is included in net assets with donor restrictions.

(8) Contributed Nonfinancial Assets

For the years ended June 30, 2023 and 2022, contributed nonfinancial assets recognized within the statement of activities included the following:

	<u>2023</u>	<u>2022</u>
Services	\$ 846,252	974,311
Rent	10,791	11,578
Goods	<u>32,652</u>	<u>5,469</u>
	\$ <u>889,695</u>	<u>991,358</u>

Contributed services recognized are comprised of professional services related to the operations of the Foundation. Amounts represent an estimated percentage of time worked on Foundation related activity. Contributed rent represents the Foundation's share of the building in which the Foundation operates. The square footage rate used in the calculation is based on similar office space in the surrounding area. Goods represents items received by the Foundation at an estimated fair value.