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# Hudson-Webber Foundation

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**Financial Report**  
**December 31, 2020**

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## Independent Auditor's Report

To the Board of Trustees  
Hudson-Webber Foundation

We have audited the accompanying financial statements of Hudson-Webber Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2020 and 2019 and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

### **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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hudson-Webber Foundation as of December 31, 2020 and 2019 and the results of its changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As described in Notes 4 and 9, the financial statements include certain investments whose fair values have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by the fund managers or partnership general partners. These investments are valued at \$171,439,244 and \$164,349,652 (90 and 94 percent of net assets) at December 31, 2020 and 2019, respectively. Our opinion is not modified with respect to this matter.

*Plante & Moran, PLLC*

June 1, 2021

**Statement of Financial Position**

**December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,413,573	\$ 2,052,808
Investments (Notes 4 and 9)	190,633,109	176,270,769
Unsettled trade receivables	3,005,531	295,533
Interest and dividend receivable	44,816	2,805
Cash value of life insurance policies	74,736	74,736
Other assets:		
Prepaid expenses	55,386	60,916
Prepaid federal excise tax	31,278	73,668
	<u>                    </u>	<u>                    </u>
Total assets	<b><u>\$ 195,258,429</u></b>	<b><u>\$ 178,831,235</u></b>
<b>Liabilities and Net Assets without Donor Restrictions</b>		
<b>Liabilities</b>		
Account payable	\$ 15,697	\$ 7,623
Grants payable (Note 5)	4,168,590	4,498,090
Accrued expenses	133,536	150,968
	<u>                    </u>	<u>                    </u>
Total liabilities	4,317,823	4,656,681
<b>Net Assets without Donor Restrictions</b>	<u>190,940,606</u>	<u>174,174,554</u>
	<u>                    </u>	<u>                    </u>
Total liabilities and net assets without donor restrictions	<b><u>\$ 195,258,429</u></b>	<b><u>\$ 178,831,235</u></b>

## Hudson-Webber Foundation

# Statement of Activities and Changes in Net Assets

Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Changes in Net Assets without Donor Restrictions</b>		
Revenue, gains, and other support:		
Contributions	\$ 100,000	\$ 100,585
Interest	9,720	40,440
Dividends	438,264	699,118
Net realized and unrealized gains on investments - Net of investment management fees	<u>24,300,861</u>	<u>24,692,772</u>
Total revenue, gains, and other support	24,848,845	25,532,915
Expenses:		
Grants awarded (Notes 5 and 8)	6,569,409	7,934,364
Support services:		
Grantmaking (Note 8)	634,192	640,217
Operational support expenses (Note 8)	<u>879,192</u>	<u>871,225</u>
Total support services	<u>1,513,384</u>	<u>1,511,442</u>
Total expenses	<u>8,082,793</u>	<u>9,445,806</u>
<b>Change in Net Assets without Donor Restrictions</b>	16,766,052	16,087,109
<b>Net Assets without Donor Restrictions - Beginning of year</b>	<u>174,174,554</u>	<u>158,087,445</u>
<b>Net Assets without Donor Restrictions - End of year</b>	<u><u>\$ 190,940,606</u></u>	<u><u>\$ 174,174,554</u></u>

**Statement of Cash Flows**

**Years Ended December 31, 2020 and 2019**

	2020	2019
<b>Cash Flows from Operating Activities</b>		
Increase in net assets	\$ 16,766,052	\$ 16,087,109
Adjustments to reconcile increase in net assets to net cash and cash equivalents from operating activities:		
Net realized and unrealized gains on investments	(24,609,957)	(25,064,389)
Changes in operating assets and liabilities that (used) provided cash and cash equivalents:		
Unsettled trade receivables	(2,709,998)	(295,533)
Interest and dividends receivable	(42,011)	73,240
Prepaid expenses	5,530	(21,045)
Prepaid federal excise tax	42,390	25,805
Accounts payable	8,074	5,569
Grants payable	(329,500)	932,500
Accrued expenses	(17,432)	27,005
Net cash and cash equivalents used in operating activities	(10,886,852)	(8,229,739)
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	(57,981,270)	(49,299,537)
Proceeds from sales of investments	68,228,887	58,531,287
Net cash and cash equivalents provided by investing activities	10,247,617	9,231,750
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(639,235)	1,002,011
<b>Cash and Cash Equivalents - Beginning of year</b>	2,052,808	1,050,797
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 1,413,573</b>	<b>\$ 2,052,808</b>

December 31, 2020 and 2019

### Note 1 - Nature of Business

Hudson-Webber Foundation (the "Foundation"), located in Detroit, Michigan and established in 1943, is a private foundation. The Foundation concentrates its efforts and resources in support of projects primarily within four program missions, each of which impacts the vitality and quality of life in the metropolitan Detroit community. The four mission areas are Built Environment, Arts & Culture, Community & Economic Development, and Safe & Just Communities.

### Note 2 - Significant Accounting Policies

#### ***Basis of Accounting***

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

#### **Net Assets without Donor Restrictions**

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of management and the board of trustees.

#### **Net Assets with Donor Restrictions**

Net assets subject to stipulations imposed by donors and grantors. For the years ended December 31, 2020 and 2019, the Foundation has not received donor-restricted contributions that would be reported as increases in donor-restricted net assets, nor does it hold donor-restricted net assets.

#### ***Cash Equivalents***

For the purpose of the accompanying financial statements, the Foundation considers all highly liquid investments purchased with original maturities of three months or less when purchased to be cash equivalents. The carrying amount reported in the statement of financial position for cash and cash equivalents approximates fair value due to the short-term nature of these investments.

#### ***Investments***

Investments in marketable securities are carried at quoted fair market value whenever available. Fair value is determined based on the fair value measurement principles described in Note 9. The alternative investments (see Note 9), composed primarily of trust funds (which include domestic and foreign equities and domestic and foreign fixed income), multiasset, hedge funds, and private equities, which are not readily marketable, are measured at estimated fair values. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed. Investments are recorded at fair value in the accompanying financial statements.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Realized and unrealized gains and losses in investments represent the difference between the original cost of the investments and sales proceeds (realized) or the fair market value at the end of the year (unrealized). Cost is determined on a first-in, first-out basis.

#### ***Life Insurance Cash Surrender Value***

The Foundation is the owner and beneficiary of life insurance policies originated by a donor. These policies are valued at their cash surrender value. The cash surrender value is based on the amount paid less any surrender charges and outstanding loans or interest.

**Note 2 - Significant Accounting Policies (Continued)**

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

***Concentration of Credit Risk Arising from Deposit Accounts***

The Foundation maintains cash balances in multiple bank accounts. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Foundation evaluates the financial institutions with which it deposits funds; however, it is not practical to insure all cash deposits.

***Excise Taxes***

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. As a private foundation, the Foundation is subject to an excise tax on net investment income, including realized gains, as defined in the Tax Reform Act of 1969.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS) or other applicable taxing authorities. Management has analyzed the tax positions taken by the Foundation and has concluded that, as of December 31, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Foundation's excise tax expense as of December 31, 2020 and 2019 was \$62,390 and \$59,805, respectively.

In addition, the Internal Revenue Code requires that certain minimum distributions be made in accordance with a specified formula. The Foundation will have paid or set aside approximately \$3,020,000 and \$2,650,000 as qualifying distributions for 2020 and 2019, respectively.

***Contributions***

Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value.

Contributions without donor-imposed restrictions and contributions with donor-imposed time or purpose restrictions that are met in the period in which the gift is received are both reported as contributions without donor restrictions. Contributions of \$100,000 and \$100,585 from a related party are reported on the statement of activities and changes in net assets for the years ended December 31, 2020 and 2019, respectively.

***Adoption of New Accounting Pronouncement***

As of January 1, 2020, the Foundation adopted Financial Accounting Standards Board (FASB) Accounting Standards Update No. 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. As a resource provider, the Foundation adopted the new standard on a modified prospective basis, and the standard did not impact the timing of grant expense recognition related to the Foundation's grant agreements further disclosed in Note 5. The standard did not require a restatement of prior year amounts.



December 31, 2020 and 2019

**Note 2 - Significant Accounting Policies (Continued)**

***Upcoming Accounting Pronouncement***

The Financial Accounting Standards Board issued Accounting Standards Update No. 2016-02, *Leases (Topic 842)*, which will supersede the current lease requirements in Accounting Standards Codification (ASC) 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Foundation's year ending December 31, 2022 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. Upon adoption, the Foundation will recognize a lease liability and corresponding right-of-use asset based on the present value of the minimum lease payments for the lease disclosed in Note 7. The effects on the results of operations are not expected to be significant, as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

***Subsequent Events***

The financial statements and related disclosures include evaluation of events up through and including June 1, 2021, which is the date the financial statements were available to be issued.

**Note 3 - COVID-19 Pandemic**

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus a pandemic. The pandemic has impacted global business operations and disrupted the economy and investment markets. As of the date of issuance of the financial statements, the Foundation's operations have not been significantly impacted, but the Foundation continues to monitor the situation. Uncertainty remains surrounding the situation and any long-term impact to the economy. During the year, the Foundation was able to continue operating without any stoppage while moving to a remote working environment. The Foundation was able to react immediately to the needs of the community by making a series of adjustments in response to grantees and the community, which included, but were not limited to, advancing payments to grantees, converting project grants to general operating grants, modifying reporting schedules, and amending budgets and scope of work.

Due to significant uncertainty surrounding the situation, management's judgment regarding the impact of the pandemic may change in the future. The extent of the impact cannot be reasonably estimated at this time.

December 31, 2020 and 2019

**Note 4 - Investments**

Investments consisted of the following at December 31:

	2020	
	Cost	Fair Value
Traditional asset class securities:		
Domestic equity securities	\$ 31,222,916	\$ 45,573,814
Foreign equity securities	27,739,019	44,625,091
Domestic fixed-income securities	18,991,035	19,603,845
Foreign fixed-income securities	5,819,341	6,046,747
Total traditional asset class securities	83,772,311	115,849,497
Alternative investments:		
Hedge funds and multistrategy	29,584,569	29,912,521
Private equity and venture capital	33,557,419	44,871,091
Total alternative investments	63,141,988	74,783,612
Total investments	\$ 146,914,299	\$ 190,633,109
	2019	
	Cost	Fair Value
Traditional asset class securities:		
Domestic equity securities	\$ 21,827,734	\$ 28,863,256
Foreign equity securities	46,369,128	54,876,658
Domestic fixed-income securities	11,906,637	12,154,292
Foreign fixed-income securities	13,682,078	13,777,799
Total traditional asset class securities	93,785,577	109,672,005
Alternative investments:		
Hedge funds and multistrategy	30,489,735	30,144,586
Private equity and venture capital	28,604,727	36,454,178
Total alternative investments	59,094,462	66,598,764
Total investments	\$ 152,880,039	\$ 176,270,769

**Note 5 - Grants Payable**

Unconditional grants are recognized as an expense at the time of formal approval by trustees of the Foundation. At times, the trustees may approve multiyear grants that are contingent upon the occurrence of an event or certain requirements being satisfied. When these requirements are substantial and the likelihood of the requirement not being met by the grantee is more than remote, the grants are approved on a conditional basis. Conditional grants, if any, are expensed when such conditions are substantially met.

The following summarizes the changes in grants payable as of December 31:

	2020	2019
Grants payable - Beginning of year	\$ 4,498,090	\$ 3,565,590
Grants approved	6,569,409	7,934,364
Payments made	(6,898,909)	(7,001,864)
Grants payable - End of year	\$ 4,168,590	\$ 4,498,090

**Note 5 - Grants Payable (Continued)**

Grant commitments outstanding at December 31, 2020 are scheduled for payment as shown below:

Amounts due in:		
2021		\$ 2,818,590
2022		<u>1,350,000</u>
Total		<u>\$ 4,168,590</u>

Conditional grants are recognized as grant expense and as a grant payable in the period in which the grantee substantially meets the terms of the conditions. Conditional grants approved for future payment totaled \$7,325,000 and \$8,063,000 as of December 31, 2020 and 2019, respectively. These grant awards have not been recognized as expense in the respective years. At December 31, 2020 and 2019, conditional grants included \$6,500,000 and \$7,000,000, respectively, to the Foundation for Detroit's Future (FDF), payable in \$500,000 installments over a 20-year period, subject to fulfillment of the conditions, as monitored by the FDF. The remaining conditional grants are expected to be fulfilled in the next two years.

**Note 6 - Defined Contribution Plan**

The Foundation established a defined contribution pension plan as of January 1, 2000. The plan covers eligible employees with at least one year of service. The Foundation makes contributions to the plan based upon each eligible employee's base salary. Contributions to the plan for the years ended December 31, 2020 and 2019 totaled \$76,740 and \$60,922, respectively.

**Note 7 - Lease Commitments**

The Foundation leases its office space under a lease agreement that expires in February 2028. The lease agreement provides for a base rental and electricity amount, plus a pro rata share of increases in property taxes and operating expenses relating to the building. Rent expense was \$83,414 for 2020 and \$79,189 for 2019.

The future minimum lease payments are as follows:

Years Ending December 31	Amount
2021	\$ 85,753
2022	88,788
2023	90,773
2024	92,764
2025	94,760
Thereafter	<u>212,048</u>
Total	<u>\$ 664,886</u>

Notes to Financial Statements

December 31, 2020 and 2019

**Note 8 - Expenses**

A portion of the Foundation's expenses have been allocated between grantmaking and operational support activities. Grantmaking expenses pertain to comprehensive grantmaking activities, such as formulating mission and program strategy; reviewing proposals; and awarding, monitoring, and evaluating grants. Operational support expenses include costs related to managing the Foundation. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Compensation is allocated based on estimates made by the Foundation's management of time spent by employees on direct conduct or supervision of grantmaking or support activities. Rent expense is based on estimates of employee time spent per square footage of space used by those employees.

The Foundation provides various services to its members. Expenses related to providing these services are as follows as of December 31:

	2020		
	Grantmaking	Operational Support	Total
Grants awarded	\$ 6,569,409	\$ -	\$ 6,569,409
Support services:			
Compensation	493,939	551,478	1,045,417
Legal fees	-	4,987	4,987
Accounting fees	-	46,025	46,025
Other professional fees	19,994	4,083	24,077
Rent	16,683	66,731	83,414
Travel, conferences, and meetings	33,453	13,383	46,836
Convenings	19,374	-	19,374
Federal excise tax	-	62,390	62,390
Other expense	50,749	130,115	180,864
Total support services	634,192	879,192	1,513,384
Total	\$ 7,203,601	\$ 879,192	\$ 8,082,793
	2019		
	Grantmaking	Operational Support	Total
Grants awarded	\$ 7,934,364	\$ -	\$ 7,934,364
Support services:			
Compensation	427,513	524,562	952,075
Legal fees	-	1,185	1,185
Accounting fees	-	44,650	44,650
Other professional fees	62,382	4,534	66,916
Rent	15,838	63,351	79,189
Travel, conferences, and meetings	49,847	33,571	83,418
Convenings	30,471	-	30,471
Federal excise tax	-	59,805	59,805
Other expense	54,166	139,567	193,733
Total support services	640,217	871,225	1,511,442
Total	\$ 8,574,581	\$ 871,225	\$ 9,445,806

**Note 9 - Fair Value Measurements**

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at December 31, 2020 and 2019 and the valuation techniques used by the Foundation to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Foundation's policy is to recognize transfers in and transfers out of Level 1, 2, and 3 fair value classifications as of the actual date of the event of change in circumstances that caused the transfer. There were no transfers between levels during the years ended December 31, 2020 or 2019.

Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Disclosures concerning assets measured at fair value on a recurring basis are as follows:

Assets Measured at Fair Value on a Recurring Basis at December 31, 2020					
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Balance at December 31, 2020
<b>Assets</b>					
Domestic equities	\$ -	\$ -	\$ -	\$ 45,573,814	\$ 45,573,814
Foreign equities	9,055,689	-	-	35,569,402	44,625,091
Domestic fixed income	-	-	-	19,603,845	19,603,845
Foreign fixed income	6,046,747	-	-	-	6,046,747
Hedge funds and multistrategy	4,091,429	-	-	25,821,092	29,912,521
Private equity and venture capital	-	-	-	44,871,091	44,871,091
Total assets	\$ 19,193,865	\$ -	\$ -	\$ 171,439,244	\$ 190,633,109

December 31, 2020 and 2019

Note 9 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2019				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Balance at December 31, 2019
<b>Assets</b>					
Domestic equities	\$ -	\$ -	\$ -	\$ 28,863,256	\$ 28,863,256
Foreign equities	-	-	-	54,876,658	54,876,658
Domestic fixed income	-	-	-	12,154,292	12,154,292
Foreign fixed income	7,284,096	-	-	6,493,703	13,777,799
Hedge funds and multistrategy	4,637,021	-	-	25,507,565	30,144,586
Private equity and venture capital	-	-	-	36,454,178	36,454,178
Total assets	\$ 11,921,117	\$ -	\$ -	\$ 164,349,652	\$ 176,270,769

**Investments in Entities that Calculate Net Asset Value per Share**

The fair value of the domestic and foreign equities, domestic and foreign fixed income, and hedge and multistrategy funds at December 31, 2020 and 2019 was determined primarily based on net asset value. The Foundation estimates the fair value of these investments based on its proportionate ownership interest in the fair value of the net assets of the fund, which is based on actual underlying securities using quoted market prices in active and nonactive markets or prices based on market-corroborated inputs where applicable. For private equity and venture capital funds, the Foundation estimates the fair value of investments based on reports received by the investment's general partners and fund managers based on quoted market prices, where available; audited financial statements; tax reports; or other methods of reported fair value, as disclosed by the general partners or fund managers. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed.

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Investments Held at December 31, 2020			
	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Multistrategy funds	\$ 25,821,092	\$ -	Daily, Monthly, Quarterly	0 to 90 Days
Equity funds	81,143,216	-	Monthly, Daily	0 to 15 Days
Fixed-income funds	19,603,845	-	Daily	0 to 5 Days
Private equity and venture capital funds	44,871,091	28,111,780	Quarterly	N/A
Total	\$ 171,439,244	\$ 28,111,780		

December 31, 2020 and 2019

**Note 9 - Fair Value Measurements (Continued)**

	Investments Held at December 31, 2019			
	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Multistrategy funds	\$ 25,507,565	\$ -	Daily, Monthly, Quarterly	0 to 90 Days
Equity funds	83,739,914	-	Monthly, Daily	0 to 15 Days
Fixed-income funds	18,647,995	-	Daily	0 to 5 Days
Private equity and venture capital funds	36,454,178	18,275,210	Quarterly	N/A
Total	<u>\$ 164,349,652</u>	<u>\$ 18,275,210</u>		

Equity funds invest in publicly traded domestic and international common stocks.

The fixed-income funds invest in U.S. Treasury funds, core domestic fixed income, and emerging-market debt.

The multistrategy hedge funds category invests in hedge funds that range from managers that invest in equity-linked, credit-linked, event-driven, and global macro strategies.

The multistrategy funds invest across multiple asset class categories to diversify risks and reduce volatility.

The private equity funds category consists of investments typically made through limited partnership structures that are illiquid in nature. Private equity encompasses a broad array of strategies and securities. Venture capital includes strategies in technology, financial and business services, health care, and senior structured credit securities. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the fund will be liquidated over the next 2 to 10 years.

**Note 10 - Liquidity and Availability of Resources**

The Foundation's financial assets available within one year of December 31, 2020 and 2019 for general expenditure are as follows:

	2020	2019
Cash and cash equivalents	\$ 1,413,573	\$ 2,052,808
Interest and dividend receivable	44,816	2,805
Unsettled trade receivables	3,005,531	295,533
Equity securities	90,198,905	83,739,914
Fixed-income securities	25,650,592	25,932,091
Hedge funds and multistrategy	29,912,519	30,144,586
Total	<u>\$ 150,225,936</u>	<u>\$ 142,167,737</u>

None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for grants and general expenditure within one year of the statement of financial position date.

The Foundation endeavors to structure its financial assets to be available to support the operations and programs of the Foundation to satisfy its share of liquidity obligations. The Foundation also realizes there could be unanticipated liquidity needs. In addition to the available financial assets listed above, there are likely to be additional components of the Foundation's investments that may be available and liquid within one year. These components include certain portions of private company investments.