

Arcus Foundation

Financial Statements

December 31, 2020 and 2019

Independent Auditors' Report

To the Board of Directors Arcus Foundation

We have audited the accompanying financial statements of Arcus Foundation (the "Foundation"), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities 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.

Auditors' 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 audit 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 auditors' 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 Arcus Foundation as of December 31, 2020 and 2019, 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.

PKF O'Connor Davies, LLP

September 23, 2021

Arcus Foundation

Statements of Financial Position

	December 31	
	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ 17,080,127	\$ 19,176,540
Accrued interest and dividends	238,498	262,209
Due from investment managers	503,128	1,061,638
Property, equipment and leasehold improvements, net	698,712	813,443
Investments	245,787,223	213,499,928
Other assets	<u>425,938</u>	<u>428,369</u>
	<u>\$ 264,733,626</u>	<u>\$ 235,242,127</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Grants payable, net	\$ 21,539,370	\$ 20,146,899
Accounts payable and accrued expenses	735,766	1,004,053
Excise and UBIT tax payable	49,775	46,030
Deferred Federal excise tax	1,910,000	1,520,000
Deferred rent	<u>618,807</u>	<u>682,417</u>
Total Liabilities	24,853,718	23,399,399
Net assets, without donor restrictions	<u>239,879,908</u>	<u>211,842,728</u>
	<u>\$ 264,733,626</u>	<u>\$ 235,242,127</u>

See notes to financial statements

Arcus Foundation

Statements of Activities

	Year Ended	
	December 31	
	2020	2019
SUPPORT AND REVENUE		
Contributions	\$ 30,010,000	\$ 30,186,334
Investment Return		
Dividends and interest	1,656,616	2,164,842
Net realized gain on investments	4,823,825	4,981,453
Unrealized gain on investments	29,362,271	30,724,741
Investment expense	(388,235)	(378,978)
Investment Return	35,454,477	37,492,058
In-kind contributions	461,210	312,990
Total Support and Revenue	65,925,687	67,991,382
GRANTS AND OPERATING EXPENSES		
Grants and program	33,424,729	34,229,003
Operations and governance	3,991,332	4,305,287
Total Grants and Operating Expenses	37,416,061	38,534,290
Change in Net Assets Before Other Changes	28,509,626	29,457,092
OTHER CHANGES		
(Provision) benefit for deferred Federal excise tax	(390,000)	130,000
Federal excise tax, current	(82,446)	(86,030)
Change in Net Assets	28,037,180	29,501,062
NET ASSETS		
Beginning of year	211,842,728	182,341,666
End of year	\$ 239,879,908	\$ 211,842,728

See notes to financial statements

Arcus Foundation

Statements of Cash Flows

	Year Ended	
	December 31	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 28,037,180	\$ 29,501,062
Adjustments to reconcile change in net assets to net cash from operating activities		
Bond premium amortization	(22,322)	29,655
Depreciation and amortization	221,274	265,712
Deferred rent	(63,610)	(36,027)
Discount on grants payable	(75,047)	(103,044)
Realized gain on investments	(4,823,825)	(4,981,453)
Unrealized gain on investments	(29,362,271)	(30,724,741)
Deferred Federal excise tax	390,000	(130,000)
Contributions of stock to grantees	2,139,124	4,328,963
Changes in operating assets and liabilities		
Accrued interest and dividends	23,711	28,624
Due from investment managers	558,510	(70,545)
Other assets	2,431	(47,911)
Grants payable	1,467,518	4,536,495
Excise and UBIT tax payable	3,745	21,030
Accounts payable and accrued expenses	(268,287)	173,069
Net Cash from Operating Activities	(1,771,869)	2,790,889
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(64,658,742)	(51,696,261)
Net proceeds from sales of investments	64,440,741	46,635,479
Purchase of property, equipment and leasehold improvements	(106,543)	(47,472)
Net Cash from Investing Activities	(324,544)	(5,108,254)
Net Change in Cash and Cash Equivalents	(2,096,413)	(2,317,365)
CASH AND CASH EQUIVALENTS		
Beginning of year	19,176,540	21,493,905
End of year	\$ 17,080,127	\$ 19,176,540
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for Federal excise taxes	\$ 55,000	\$ 65,000

See notes to financial statements

Arcus Foundation

Notes to Financial Statements
December 31, 2020 and 2019

1. Organization

The Arcus Foundation (the “Foundation”), formed in 1997 as the Jon L. Stryker Foundation and renamed in 2000, is dedicated to the idea that people can live in harmony with one another and the natural world. The mission is driven by the vision of our founder and by our shared commitment to emergent global human rights and conservation movements. The Foundation has offices in Cambridge, United Kingdom and New York City, New York.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which 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. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of checking and money market accounts. The Foundation considers all highly liquid debt instruments available for current use with a maturity date of three months or less at the date of purchase to be cash equivalents.

Fair Value Measurements

The Foundation follows U.S. GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment’s level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The Foundation follows U.S. GAAP guidance which removed the requirements to categorize within the fair value hierarchy alternative investments where fair value is measured using the Net Asset Value (“NAV”) per share as a practical expedient.

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Notes to Financial Statements
December 31, 2020 and 2019

2. Summary of Significant Accounting Policies (continued)

Investments

Investments are carried at fair value. The fair value of alternative investments has been estimated using NAV as reported by the management of the respective alternative investment fund. U.S. GAAP guidance provides for the use of NAV as a “Practical Expedient” for estimating fair value of alternative investments. NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of the Foundation’s interest.

Investment Income Recognition

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized gains and losses on the sale of investments are computed on the specific identification basis. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Investment Expense

Investment expense on the statements of activities consists of fees paid directly to the Foundation’s investment advisor, investment managers and investment custodians.

Property, Equipment and Leasehold Improvements

Property, equipment and leasehold improvements are carried at cost or appraised value at date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the assets. Equipment is being depreciated over three to seven years. Furniture is being depreciated over three to fifteen years. Leasehold improvements are amortized over the terms of the office lease or life of the asset, whichever is shorter. The Foundation capitalizes all purchases greater than or equal to \$1,000.

The Foundation reviews assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amounts of the assets exceed the fair value. No impairment loss has been recognized during the years ended December 31, 2020 and 2019.

Grants

The liability for grants and project appropriations payable is recognized when specific grants are authorized by the Board of Directors and the recipients have been notified.

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Notes to Financial Statements
December 31, 2020 and 2019

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

Net Asset Presentation

The Foundation reports information regarding its financial position and activities according to classes of net assets based on the presence or absence of donor-imposed restrictions. Net assets without donor restrictions are not externally restricted for identified purposes. Net assets with donor restrictions represent amounts that are restricted by donors that are to be held until the donor or time restriction has been satisfied or that are to be held in perpetuity. There are no net assets with donor restrictions as of December 31, 2020 and 2019.

Functional Allocation of Expenses

The costs of providing various programs and related supporting services have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the appropriate programs and supporting services benefited. Refer to note 6 for the classification of expenses by their functional allocation and policy for allocating such expenses.

Contributions

Contributions are reported as an increase in net assets without donor restrictions, unless their use is limited by donor-imposed restrictions.

In-Kind Contributions

Donation of assets other than cash are recorded at their fair value as of the date of donation.

Accounting for Uncertainty in Income Taxes

The Foundation recognizes the effect of tax positions when they are more likely than not to be sustained. Management is not aware of any violations of its tax status as an organization exempt from income tax, nor of any exposure to unrelated business income tax that would require disclosure and/or recognition. The Foundation is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2017.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 23, 2021.

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Notes to Financial Statements
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3. Concentration of Credit Risk

The Foundation's cash, cash equivalents and investments are potentially exposed to concentrations of credit risk. The Foundation invests its cash and cash equivalents with quality financial institutions and throughout the year balances in such institutions may exceed the Federal insured limits. The Foundation invests in common stocks, fixed income securities, index funds, and limited partnerships. The Foundation routinely assesses the diversification and financial strength of its cash and investment portfolio.

4. Investments

The following tables summarize the fair value of investments valued at fair value on a recurring basis, at December 31, grouped by the fair value hierarchy, for those investments subject to categorization within such hierarchy:

	2020			Total
	Level 1	Level 2	Other Investments Measured at Net Asset Value (*)	
Common Stock				
Healthcare	\$ 53,134,228	\$ -	\$ -	\$ 53,134,228
Foreign equities	17,471,632	-	-	17,471,632
Banks	2,080,504	-	-	2,080,504
Other common stock	18,874,601	-	-	18,874,601
Government, agency notes and bonds	11,609,344	-	-	11,609,344
Corporate bonds	-	6,356,173	-	6,356,173
Private equity	-	-	41,328,787	41,328,787
Hedge Funds				
Diversified strategy	-	-	20,263,137	20,263,137
Hedged equity	-	-	24,004,755	24,004,755
Strategic fixed income	-	-	19,349,423	19,349,423
Select equity	-	-	31,314,639	31,314,639
	<u>\$ 103,170,309</u>	<u>\$ 6,356,173</u>	<u>\$ 136,260,741</u>	<u>\$ 245,787,223</u>

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Notes to Financial Statements December 31, 2020 and 2019

4. Investments (continued)

	2019			Total
	Level 1	Level 2	Other Investments Measured at Net Asset Value (*)	
Common Stock				
Healthcare	\$ 48,342,044	\$ -	\$ -	\$ 48,342,044
Foreign equities	16,946,018	-	-	16,946,018
Banks	3,970,876	-	-	3,970,876
Other common stock	14,880,678	-	-	14,880,678
Government, agency notes and bonds	10,157,507	-	-	10,157,507
Corporate bonds	-	4,328,713	-	4,328,713
Private equity	-	-	28,161,110	28,161,110
Hedge Funds				
Diversified strategy	-	-	21,418,177	21,418,177
Hedged equity	-	-	22,384,026	22,384,026
Strategic fixed income	-	-	14,837,158	14,837,158
Select equity	-	-	28,073,621	28,073,621
	<u>\$ 94,297,123</u>	<u>\$ 4,328,713</u>	<u>\$ 114,874,092</u>	<u>\$ 213,499,928</u>

(*) As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

There were no transfers into or out of any level of the fair value hierarchy for assets measured at fair value for the years ended December 31, 2020 and 2019.

At December 31, common stock includes shares of Stryker Corporation common stock as follows:

	2020		
	Tax Cost	Book Cost	Fair Value
216,839 Shares	\$ 3,106	\$ 24,835,116	\$ 53,134,228
	2019		
	Tax Cost	Book Cost	Fair Value
230,266 Shares	\$ 3,298	\$ 26,187,484	\$ 48,342,044

Tax cost represents the donor's basis. Book cost represents the fair value of the donated stock at the time of donation.

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Notes to Financial Statements December 31, 2020 and 2019

4. Investments (continued)

For the years ended December 31, unrealized and realized gains attributed to Stryker Corporation stock are included on the statements of activities as follows:

	2020	2019
Realized gain	\$ 786,759	\$ 2,152,001
Unrealized gain	6,144,551	11,036,816

In addition to the shares of Stryker Corporation stock, the Foundation is also invested in several hedge fund-of-fund structures and four private equity investments. Two of the four hedge funds represented 13% and 10% of the Foundation's total investment portfolio at December 31, 2020, and three of the hedge funds represented 13%, 10% and 10% at December 31, 2019.

Information regarding alternative investments valued using NAV as practical expedient at December 31, 2020 is as follows:

Description	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Private equity (see "a" below)	\$ 41,328,787	\$ 16,227,560	Locked	N/A**
Hedge Funds				
Diversified strategy (see "b" below)	20,263,137	-	Monthly	7 days
Hedged equity (see "c" below)	24,004,755	-	Monthly	7 days
Strategic fixed income (see "d" below)	19,349,423	-	Monthly	7 days
Select equity (see "e" below)	31,314,639	-	Monthly	7 days
	\$ 136,260,741	\$ 16,227,560		

(**) This investment can never be redeemed with the funds. Instead, the nature of the investments in this category is that distributions are received through liquidation of the underlying assets of the fund.

- a. The private equity portfolio allocates to a number of managers who seek to exceed the return of the global public equity market through value generation and operational intensity. The underlying fund investments are generally expected to span a range of strategies including, without limitation, investments of the following nature: buyout, growth capital, venture capital, distressed credit and direct lending. In addition, the portfolio intends to consider, and may include, strategies that are sector specific and may be related to physical assets such as real estate and natural resources.

- b. The diversified strategy portfolio allocates capital to a number of managers who deploy their capital with flexibility across all major markets of the world including public equities, fixed income, credit, foreign exchange, commodities, and may, from time to time, also make privately negotiated equity and debt investments. The composition of the portfolios relative to actual underlying asset classes are likely to evolve over time based on the opportunity set in the world's markets, and also vary based on the core competencies of each underlying manager's team.

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Notes to Financial Statements
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4. Investments (continued)

- c. The hedged equity portfolio allocates capital to a number of managers who approach the world's equity markets with the intention of generating positive total returns over a market cycle, while also attempting to preserve capital during adverse market conditions.
- d. The strategic fixed income portfolio allocates capital to a number of managers who approach the world's fixed income, foreign exchange and credit markets with strong research skills and/or quantitative and technical insights.
- e. The select equity portfolio allocates capital to a number of managers who apply their unique insights and talents to the world's public equity markets. Select equity managers seek to exceed the return of the global public equities through research driven stock selection, private equity approaches to public corporate shares and increased concentration around a set of high conviction ideas.

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

5. Liquidity and Availability of Financial Assets

The following reflects the Foundation's financial assets and resources without donor restrictions available as of December 31, to meet cash needs for general expenditures within one year of the date of the Statement of Financial Position:

	<u>2020</u>	<u>2019</u>
Financial assets:		
Cash and cash equivalents	\$ 17,080,127	\$ 19,176,540
Accrued interest and dividends	238,498	262,209
Due from investment managers	503,128	1,061,638
Investments	245,787,223	213,499,928
Less: Illiquid private equity investments	<u>(41,328,787)</u>	<u>(28,161,110)</u>
Total Financial Assets Available Within One Year	<u>\$ 222,280,189</u>	<u>\$ 205,839,205</u>

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Notes to Financial Statements
December 31, 2020 and 2019

5. Liquidity and Availability of Financial Assets *(continued)*

The Foundation structures its financial assets to be available to pay general expenditures and other obligations as they become due. The Foundation forecasts its future cash flows and monitors its liquidity and available cash. Based on these forecasts, the Foundation receives funding from its primary funding source in intervals based on operational needs within one year. Additional funding can be requested at any time from this funding source.

6. Expenses by Functional and Natural Classification

Expenses are presented by functional classification in alignment with the overall mission of the Foundation. Expenses are classified based on the direct impact to the Foundation. Therefore, certain expenses require allocation on a reasonable basis that is consistently applied. These expenses are based on employee time and effort. The following tables present expenses by both their natural and functional classification for the years ended December 31, 2020 and 2019.

	2020		
	Grants and Program	Operations and Governance	Total
Grants awarded, net	\$ 27,929,172	\$ -	\$ 27,929,172
Salaries and wages	2,908,920	1,402,701	4,311,621
Payroll taxes and employee benefits	914,631	539,821	1,454,452
Professional fees	785,916	561,971	1,347,887
Occupancy	-	692,122	692,122
Meetings, travel and site visits	136,178	19,677	155,855
Postage, printing and publications	637,620	22,589	660,209
Office expense	91,207	316,833	408,040
Repairs and maintenance	-	41,401	41,401
Insurance	-	108,934	108,934
Membership dues	13,748	24,770	38,518
Depreciation and amortization	-	221,274	221,274
Other	7,337	39,239	46,576
Total	\$ 33,424,729	\$ 3,991,332	\$ 37,416,061

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Notes to Financial Statements
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6. Expenses by Functional and Natural Classification *(continued)*

	2019		
	Grants and Program	Operations and Governance	Total
Grants awarded, net	\$ 27,825,733	\$ -	\$ 27,825,733
Salaries and wages	3,275,196	1,354,096	4,629,292
Payroll taxes and employee benefits	1,029,543	514,041	1,543,584
Professional fees	1,008,168	713,594	1,721,762
Occupancy	-	678,460	678,460
Meetings, travel and site visits	369,953	228,836	598,789
Postage, printing and publications	621,679	14,050	635,729
Office expense	95,980	284,249	380,229
Repairs and maintenance	-	91,382	91,382
Insurance	-	104,443	104,443
Membership dues	2,751	21,937	24,688
Depreciation and amortization	-	265,712	265,712
Other	-	34,487	34,487
Total	\$ 34,229,003	\$ 4,305,287	\$ 38,534,290

7. Federal Excise Tax

The Foundation is exempt from Federal income taxes under Section 501(c)(3) and 509(a) of the Internal Revenue Code and has been further classified as a “private foundation.”

The Foundation is subject to an excise tax of 1.39% on its net investment income. The Foundation provides for deferred federal excise tax on the net unrealized appreciation of the fair value of investments at the rate applicable for the following year. The rate used at December 31, 2020 and 2019 is 1.39%.

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8. Property, Equipment and Leasehold Improvements

As of December 31, property, equipment and leasehold improvements consisted of the following:

	2020	2019
Leasehold improvements	\$ 1,529,577	\$ 1,522,877
Furniture and equipment	<u>2,768,586</u>	<u>2,668,743</u>
	4,298,163	4,191,620
Less: accumulated depreciation and amortization	<u>3,599,451</u>	<u>3,378,177</u>
	<u><u>\$ 698,712</u></u>	<u><u>\$ 813,443</u></u>

9. Grants Payable

The Foundation has entered into grant commitments with certain organizations. Payments to these organizations at December 31, are to be made as follows:

	2020	2019
Less than one year	\$ 13,992,487	\$ 14,523,257
One to four years	<u>7,964,138</u>	<u>5,965,850</u>
	21,956,625	20,489,107
Less: present value discount	<u>417,255</u>	<u>342,208</u>
Grants Payable, net	<u><u>\$ 21,539,370</u></u>	<u><u>\$ 20,146,899</u></u>

To reflect the time value of money, grants payable as of December 31, 2020 and 2019 were discounted to their present value using the Federal Reserve Business Lending rate of 4.94%.

10. Grants Awarded

For the years December 31, grants awarded were comprised of the following:

	2020	2019
Grants awarded	\$ 28,058,853	\$ 28,404,746
Grants rescinded/refunded	-	(474,828)
Stock transfer adjustment	(54,634)	(1,141)
Present value discount	<u>(75,047)</u>	<u>(103,044)</u>
Grants Awarded, net	<u><u>\$ 27,929,172</u></u>	<u><u>\$ 27,825,733</u></u>

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11. Retirement Plan

The Foundation maintains a 401(k) plan, which covers all employees whose regular schedule is at least 30 hours a week. Employees become eligible on the first day of the month following his/her start date. Eligible employees may defer a portion of their compensation, not to exceed the annual limit set by the Internal Revenue Code. The Foundation matches 100% of the first 3% and 50% of the next 2% of an employee's contribution. The Foundation's matching contributions were \$161,777 and \$156,835 for 2020 and 2019. The Foundation may also make discretionary contributions to all eligible employees. Discretionary contributions were \$418,016 and \$432,792 for 2020 and 2019. For employees hired on or after July 1, 2013, their employer contributions will vest over a three year period, in equal parts each year. Employees receive the discretionary contributions regardless of their plan participation.

12. Commitments

The Foundation has a lease agreement expiring August 25, 2025 for space at 44 West 28th Street, NY, NY. The Foundation's policy is to record base rent on a straight-line basis over the term of the lease. The Foundation has a letter of credit obligation of \$208,512 as a guarantee for the lease agreement.

The Foundation also occupies space in the United Kingdom under a lease agreement which expires on October 31, 2022.

Future minimum obligations under these leases, exclusive of required payments for increases in real estate taxes and operating expenses, are as follows:

2021	\$	704,714
2022		704,725
2023		638,460
2024		652,826
2025		441,697
		<u>\$ 3,142,422</u>

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13. In-Kind Contributions

The Foundation received pro-bono advertising space valued at an estimated \$461,210 and \$312,990 during 2020 and 2019. Such services have been reflected as a contribution and an expense within postage, printing and publications.

14. COVID-19

The COVID-19 pandemic has resulted in substantial volatility in the global financial markets. Because the value of the Foundation's individual investments has and will fluctuate in response to changing market conditions, the amount of losses, if any, that will be recognized in subsequent periods, cannot be determined.

15. Subsequent Events

Subsequent to year end the Foundation received two donations totaling \$30,000,000.

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