

**THE COMMUNITY FOUNDATION
FOR CRAWFORD COUNTY**

**Report for the Year Ended
December 31, 2023**

**THE COMMUNITY FOUNDATION
FOR CRAWFORD COUNTY**

Report for the Year Ended December 31, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
The Community Foundation for Crawford County
Bucyrus, Ohio

Opinion

We have audited the accompanying financial statements of The Community Foundation for Crawford County (the "Foundation"), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Community Foundation for Crawford County as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with the 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 Community Foundation for Crawford County and to meet our other ethical responsibilities in accordance with 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.

Responsibilities of Management 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 State of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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.

INDEPENDENT AUDITORS' REPORT (Continued)

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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 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 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 judgement, 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 audit.

Knueven, Schroeder & Co.

Findlay, Ohio
July 1, 2026

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY
Statement of Financial Position
December 31, 2023

ASSETS

Cash and cash equivalents	\$ 357,678
Investments at fair value	25,534,051
Deferred grants	5,000
Property and equipment, net	<u>250,286</u>
TOTAL ASSETS	<u>\$ 26,147,015</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Grants payable	\$ 58,140
Fiscal agent payable	1,144,683
Accounts and credit card payable	<u>1,575</u>

TOTAL LIABILITIES	<u>1,204,398</u>
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NET ASSETS

Without donor restrictions	10,818,752
With donor restrictions	<u>14,123,865</u>

TOTAL NET ASSETS	<u>24,942,617</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 26,147,015</u>
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See Independent Auditors' Report and Notes to Financial Statements.

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY

Statement of Activities

For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND OTHER SUPPORT			
Contributions	\$ 81,451	\$ 457,028	\$ 538,479
Administrative fee income	164,953	(153,690)	11,263
Dividend income	309,142	402,866	712,008
Interest income	1,312	35	1,347
Realized gains	146,817	233,880	380,697
Unrealized losses	923,554	1,173,175	2,096,729
Investment custodial fees	(34,134)	(44,402)	(78,536)
Interfund gifts	(33,500)	39,547	6,047
Refunds & reimbursements	151,562	7,673	159,235
Net assets released from restrictions	452,996	(452,996)	-
TOTAL REVENUE AND OTHER SUPPORT	<u>2,164,153</u>	<u>1,663,116</u>	<u>3,827,269</u>
GRANTS AND EXPENSES			
Fundraising expense	4,614	-	4,614
Continuing education	1,190	-	1,190
Depreciation	8,796	-	8,796
Dues and licenses	3,299	-	3,299
Grants	857,544	-	857,544
Insurance	8,302	-	8,302
Office, meeting and annual report expenses	11,354	-	11,354
Payroll taxes and benefits	17,722	-	17,722
Postage and printing	2,219	-	2,219
Professional fees	19,502	-	19,502
Repairs and security	2,945	-	2,945
Salaries	145,643	-	145,643
Software and computer support	13,156	-	13,156
Telephone and utilities	6,554	-	6,554
TOTAL GRANTS AND EXPENSES	<u>1,102,840</u>	<u>-</u>	<u>1,102,840</u>
CHANGE IN NET ASSETS FROM OPERATIONS	1,061,313	1,663,116	2,724,429
OTHER CHANGES IN NET ASSETS			
Transfer between funds	<u>(9,883)</u>	<u>(33,316)</u>	<u>(43,199)</u>
CHANGE IN NET ASSETS	1,051,430	1,629,800	2,681,230
NET ASSETS BEGINNING OF YEAR	<u>9,767,322</u>	<u>12,494,065</u>	<u>22,261,387</u>
NET ASSETS END OF THE YEAR	<u>\$10,818,752</u>	<u>\$14,123,865</u>	<u>\$24,942,617</u>

See Independent Auditors' Report and Notes to Financial Statements.

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY

Statement of Cash Flows

For the Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 2,681,230
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	8,796
Net appreciation on investments	(2,096,729)
Realized gain on investments	(380,697)
Changes in assets and liabilities	
Deferred grants	55,000
Grants payable	(116,818)
Fiscal agent payable	88,052
Accounts and credit card payable	<u>997</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES 239,831

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from disposition of investments	2,380,542
Purchase of securities	<u>(2,559,497)</u>

NET CASH USED BY INVESTING ACTIVITIES (178,955)

NET CHANGE IN CASH AND CASH EQUIVALENTS 60,876

**CASH AND CASH EQUIVALENTS
BEGINNING OF YEAR**

296,802

END OF YEAR

\$ 357,678

See Independent Auditors' Report and Notes to Financial Statements.

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY

Notes to Financial Statements

December 31, 2023

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: The Community Foundation for Crawford County (the “Foundation”) is a not-for-profit Ohio Corporation. The Foundation is responsible for charitable funds and the income generated by the funds of many donors. The Foundation is committed to promoting the well being of mankind and to serving the general charitable, educational and scientific needs of the inhabitants of the Crawford County, Ohio area through charitable grants at the discretion of the Board of Trustees.

Basis of Accounting: The financial statements of the Foundation have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain 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 revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

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

Investments: Investments are valued at fair value as determined using quoted closing values from recognized exchanges. Unrealized gains and losses for the year are included in the statement of activities and changes in net assets. Investment income, gains and losses are recognized as without donor restrictions or with donor restrictions based upon the existence or absence of donor-imposed restrictions. Purchases and sales of securities are recorded on the trade date.

Grants: Grants are recorded as expenses when they are approved by the Board of Trustees for payment and grant conditions are satisfied.

Tax Status: The Foundation is exempt from Federal income taxes as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and has been classified as an entity that is not a private foundation within the meaning of Section 509(a).

Accounting principles generally accepted in the United States of America require management of the organization to evaluate tax positions taken by the organization and recognize a tax liability if the organization has taken an uncertain tax position that more than likely would not be sustained upon examination by the Internal Revenue Service. Management has evaluated income tax positions it has taken and has concluded there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements at December 31, 2023. The Foundation's returns are subject to examination by the Internal Revenue Service, generally for three years after the date the return is filed.

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY

Notes to Financial Statements

December 31, 2023

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Presentation: The Foundation reports information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - net assets that are available for use in general operations and not subject to donor imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Trustees.

Net assets with donor restrictions - net assets that are subject to donor imposed stipulations or that are subject to the Foundation's spending policy. As a community foundation, the Foundation possesses variance power over funds. Variance power is the unilateral right to remove donor-imposed restrictions upon a gift in response to changed circumstances. Notwithstanding the variance power, the Foundation has a fiduciary responsibility to honor the donors' intent and follows the practice of respecting the donor's grant-making preferences, as stated in their gift agreement, when they establish a fund with the Foundation. Net assets may be restricted for a specific use or by time. When donor restrictions have been met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Contributions: Contributions, which include unconditional promises to give, are recognized as revenues in the period the contribution is received or the promise is made. Contributions are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Agent Liabilities: Agent liabilities are funds received by the Foundation as an agent where the donor specifically designates itself as the beneficiary of the funds they established for their own benefit. These amounts are not considered contributions and, therefore, are recorded as a Fiscal Agent Payable included in liabilities.

Property and Equipment: Expenditures for additions and improvements over \$500 are capitalized and expenditures for maintenance and repairs are charged to expense as incurred. Additions and improvements to property and equipment are recorded at the original purchase cost or at fair value for donated assets. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Administrative Fees: Administrative fees are charged to and expensed from the funds to support the operations of the Foundation. Administrative fees from all funds are reflected as revenue on the Statement of Activities. The administrative fees from agent liabilities are not included as expenses on the Statement of Activities because they are included in the change in agent liabilities.

Subsequent Events: The Foundation has evaluated all subsequent events through July 1, 2026, the date the financial statements were available to be issued.

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY

Notes to Financial Statements

December 31, 2023

B - LIQUIDITY AND AVAILABILITY

Financial assets as of December 31, 2023, reduced by amounts not available for general expenditure within one year are as follows:

Financial assets:

Cash and cash equivalents	\$ 357,678
Investments	<u>25,534,051</u>

Total financial assets	25,891,729
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Less amounts not available for general expenditure within one year:

Net assets with donor restrictions	(14,123,865)
Fiscal agent payables	(1,144,683)
Board designated endowment funds	<u>(10,164,427)</u>

Financial assets available to meet cash needs for general expenditures within one year

\$ 458,754

The Foundation structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The board designated endowment funds are available for general expenditure if the board approves that action.

C - CONCENTRATIONS OF CREDIT RISK ARISING FROM DEPOSITS IN EXCESS OF INSURED LIMITS

The Foundation maintains cash and investment accounts at various financial institutions. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at December 31, 2023 exceeded the federally insured limits by \$207,036.

D - DEFERRED GRANTS

Deferred grants represent Board approved grants that are payable when certain grant conditions are satisfied and will be recognized as grant expense at that time. Deferred grants consist of the following:

Grant payable \$5,000 per year for the next 1 year	<u>\$ 5,000</u>
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THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY

Notes to Financial Statements

December 31, 2023

E - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Fair Value Measurements Topic of the FASB Accounting Standards Codification establishes 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 lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

The Exchange Traded Funds (ETFs) are a collection of securities that are listed on active exchanges. The ETF units are marketable securities that are listed on exchanges and traded throughout the day. Since they are traded in active markets and priced daily they are listed as Level 1 securities.

The Mutual funds are valued at a daily closing price as reported by the fund. Mutual funds held by the Foundation are open-ended funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their current net asset value (NAV) daily and transact at this price. Since these funds are priced daily with prices available on published exchanges they are listed as Level 1 securities.

Available for sale at December 31, 2023

	Level 1	Level 2	Level 3	Fair Value
Mutual funds	\$ 21,163,210	\$ -	\$ -	\$ 21,163,210
Exchange Traded Funds (ETFs)	4,332,308	-	-	4,332,308
Cash & money market funds	38,533	-	-	38,533
Total	<u>\$ 25,534,051</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,534,051</u>

Investment gain for the year:

	Total Investment Gain	Allocated to Fiscal Agent Funds	Investment Gain on Statement of Activities
Dividends and interest	\$ 746,703	\$ 33,348	\$ 713,355
Realized gain	398,471	17,774	380,697
Unrealized gain	2,194,593	97,864	2,096,729
Investment fees	(82,208)	(3,672)	(78,536)
Total investment gain for the year	<u>\$ 3,257,559</u>	<u>\$ 145,314</u>	<u>\$ 3,112,245</u>

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY

Notes to Financial Statements

December 31, 2023

F - RISKS AND UNCERTAINTIES

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

G - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Land	\$ 22,153
Buildings	323,569
Computers and website	40,476
Furniture & fixtures	35,580
	<u>421,778</u>
Less accumulated depreciation	<u>(171,492)</u>
Property and equipment, net	<u>\$ 250,286</u>

H - FISCAL AGENT PAYABLE

Fiscal agent payable represents funds placed on deposit with the Foundation by other organizations that designate themselves as the beneficiary. The Foundation accounts for these transfers as a liability in accordance with applicable accounting standards. Income is added to these funds in accordance with the Foundation's investment allocation policies. Contributions, income, fees and distributions are reflected as adjustments to the liability account and are not reflected in the Statement of Activities.

The change in fiscal agent payables is as follows:

Beginning balance	\$ 1,056,631
Contributions	8,700
Investment income	145,314
Fees	(11,263)
Grants	(88,015)
Transfers	<u>33,316</u>
Ending balance	<u>\$ 1,144,683</u>

Organizations with agency payable funds may also have associated funds included in net assets with donor restrictions.

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY

Notes to Financial Statements

December 31, 2023

I - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions by type of fund are as follows:

Agency Endowment Funds	\$ 1,975,608
Designated Funds	3,413,958
Donor Advised Funds	534,985
Scholarship Funds	5,554,669
School Funds	<u>2,644,645</u>
	<u>\$ 14,123,865</u>

Net assets with donor restrictions released during the year by type of fund were as follows:

Agency Endowment Funds	\$ 35,799
Designated Funds	135,790
Donor Advised Funds	13,264
Scholarship Funds	197,399
School Funds	<u>70,744</u>
	<u>\$ 452,996</u>

J - ENDOWMENT

The majority of the Foundation's funds consists of endowed funds established for a variety of purposes. These funds include both donor-restricted funds and funds designated by the Board of Trustees to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for granting purposes while seeking to maintain the purchasing power of the endowment assets. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distributions with acceptable levels of risk. Endowment assets are invested in a well diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of approximately 3% to 5%, while growing the funds if possible. The investment policy establishes an achievable return objective through diversification of asset classes by the Foundation rebalancing the asset mix to remain within an acceptable level of risk as determined by the Board of Trustees. Investment risk is measured in terms of total endowment funds; investment assets and allocation between asset classes and strategies are managed to not expose the funds to unacceptable levels of risk.

THE COMMUNITY FOUNDATION FOR CRAWFORD COUNTY
Notes to Financial Statements
December 31, 2023

J - ENDOWMENT (Continued)

Endowment funds by net asset type at December 31, 2023 and changes therein were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board designated funds	\$ 10,164,427	\$ -	\$ 10,164,427
Donor restricted funds	<u>-</u>	<u>14,123,865</u>	<u>14,123,865</u>
	<u>\$ 10,164,427</u>	<u>\$ 14,123,865</u>	<u>\$ 24,288,292</u>
Net assets, beginning of year	\$ 9,233,537	\$ 12,494,065	\$ 21,727,602
Contributions	47,419	496,575	543,994
Investment income	1,378,505	1,809,954	3,188,459
Other Income	89,801	7,673	97,474
Transfers	(42,451)	(33,316)	(75,767)
Grants	(407,886)	(452,995)	(860,881)
Fees & expenses	<u>(134,498)</u>	<u>(198,091)</u>	<u>(332,589)</u>
Net assets, end of year	<u>\$ 10,164,427</u>	<u>\$ 14,123,865</u>	<u>\$ 24,288,292</u>

K - UNIFORM PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT

The State of Ohio adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective June 1, 2009. The Board of Trustees has interpreted UPMIFA as requiring endowment funds to be classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

L - FUNCTIONAL EXPENSES

The costs of supporting the activities of the Foundation have been summarized on a functional basis. Accordingly, certain costs have been allocated among the program and supporting services as follows:

Program expenses	\$ 1,011,874
Management and general	86,352
Fundraising	<u>4,614</u>
	<u>\$ 1,102,840</u>

Costs that are not directly attributable to a function are allocated based on various estimated factors such as usage or time expended.