

CHP 11-99 FOUNDATION

FINANCIAL STATEMENTS

December 31, 2023

(With Comparative Totals for 2022)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
CHP 11-99 Foundation
Costa Mesa, California

Qualified Opinion

We have audited the accompanying financial statements of CHP 11-99 Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of CHP 11-99 Foundation (the Foundation) 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 Qualified Opinion

As discussed in Note 3, the Foundation has omitted certain unconditional promises to give from contributions receivable and net assets in the accompanying statement of financial position and from donations in the accompanying statement of activities. Accounting principles generally accepted in the United States of America require that unconditional promises to give be recognized as income at the time a promise is made.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 audit.

Report on Summarized Comparative Information

We have previously audited CHP 11-99 Foundation's 2022 financial statements and we expressed a qualified opinion on those audited financial statements in our report dated September 12, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Long Beach, California
May 24, 2024

CHP 11-99 FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

ASSETS

	December 31,	
	2023	2022
ASSETS		
Cash and cash equivalents	\$ 3,999,105	\$ 4,651,750
Investments	77,357,240	65,501,302
Other receivables	114,181	85,788
Prepaid expenses	46,399	50,281
Inventory	494,704	408,243
Property and equipment, net	2,338,875	2,358,815
TOTAL ASSETS	\$ 84,350,504	\$ 73,056,179

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable	\$ 85,818	\$ 129,007
Accrued expenses	386,246	385,284
Advances received	4,000	13,500
Total liabilities	476,064	527,791
NET ASSETS WITHOUT DONOR RESTRICTIONS	83,874,440	72,528,388
TOTAL LIABILITIES AND NET ASSETS	\$ 84,350,504	\$ 73,056,179

The accompanying notes are an integral part of these financial statements.

CHP 11-99 FOUNDATION

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
REVENUE, SUPPORT, AND INVESTMENT RETURN		
Donations	\$ 2,883,167	\$ 3,368,470
Memberships	2,738,863	2,872,301
Fundraising events, net	440,862	518,129
Solicitations and appeals	510,882	559,222
Investment return (loss), net	10,486,890	(11,509,386)
Sales	130,896	111,049
Total revenue, support, and investment return	<u>17,191,560</u>	<u>(4,080,215)</u>
EXPENSES		
Program services	3,518,965	3,214,547
General and administrative	1,101,229	1,060,033
Fundraising	<u>1,225,314</u>	<u>1,255,466</u>
TOTAL EXPENSES	<u>5,845,508</u>	<u>5,530,046</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	11,346,052	(9,610,261)
NET ASSETS WITHOUT DONOR RESTRICTIONS, BEGINNING OF YEAR	<u>72,528,388</u>	<u>82,138,649</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS, END OF YEAR	<u>\$ 83,874,440</u>	<u>\$ 72,528,388</u>

The accompanying notes are an integral part of these financial statements.

CHP 11-99 FOUNDATION

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	<u>Program</u>	<u>Supporting Activities</u>		<u>Total</u>	
		<u>Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>2023</u>
Salaries and wages	\$ 68,394	\$ 589,433	\$ 327,415	\$ 985,242	\$ 968,490
Employee benefits	26,306	226,711	125,932	378,949	386,342
Total employee expenses	<u>94,700</u>	<u>816,144</u>	<u>453,347</u>	<u>1,364,191</u>	<u>1,354,832</u>
Scholarships	3,173,000	-	-	3,173,000	2,785,250
Emergency benefits paid	141,347	-	-	141,347	268,089
Office and supplies	12,148	128,575	357,456	498,179	426,135
Consulting and contract labor	64,654	12,800	-	77,454	82,808
Membership gear and cost of sales	-	-	198,211	198,211	195,178
Background checks	-	2,100	46,600	48,700	54,500
Bank and merchant fees	-	782	63,914	64,696	81,369
Professional and legal	468	36,644	88,234	125,346	118,211
Taxes, licenses, and dues	-	14,587	-	14,587	13,678
Rent and lease	-	6,189	-	6,189	6,137
Repair and maintenance	-	4,135	-	4,135	6,063
Insurance	-	17,359	-	17,359	17,301
Travel and entertainment	32,648	16,849	16,031	65,528	57,247
Utilities	-	19,968	1,521	21,489	22,635
Depreciation	-	25,097	-	25,097	40,613
Total non-employee expenses	<u>3,424,265</u>	<u>285,085</u>	<u>771,967</u>	<u>4,481,317</u>	<u>4,175,214</u>
Total Expenses	<u>\$ 3,518,965</u>	<u>\$ 1,101,229</u>	<u>\$ 1,225,314</u>	<u>\$ 5,845,508</u>	<u>\$ 5,530,046</u>

The accompanying notes are an integral part of these financial statements.

CHP 11-99 FOUNDATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	For the Year Ended December 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 11,346,052	\$ (9,610,261)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	25,097	40,613
Net realized and unrealized (gain) loss on investments	(9,013,006)	12,512,460
Changes in operating assets and liabilities:		
Other receivables	(28,393)	(59,266)
Prepaid expenses	3,882	(8,707)
Inventory	(86,461)	(152,193)
Accounts payable	(43,189)	(19,440)
Accrued expenses	962	(104,672)
Advances received	(9,500)	(4,000)
Net Cash Provided By Operating Activities	<u>2,195,444</u>	<u>2,594,534</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(5,157)	(41,720)
Purchases of investments	(85,495,727)	(37,836,559)
Proceeds from sales of investments	82,652,795	34,678,845
Net Cash Used In Investing Activities	<u>(2,848,089)</u>	<u>(3,199,434)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(652,645)	(604,900)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>4,651,750</u>	<u>5,256,650</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 3,999,105</u>	<u>\$ 4,651,750</u>

The accompanying notes are an integral part of these financial statements.

CHP 11-99 FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 1 – Nature of Operations

Nature of Activities

CHP 11-99 Foundation (the Foundation), located in Costa Mesa, California, was founded in 1981 as a charitable nonprofit organization. The Foundation's purpose is to provide benefits and scholarships to California Highway Patrol (CHP) employees and their families.

The programs administered by the Foundation are as follows:

Scholarship Program - The Foundation awards post-secondary level educational scholarships to qualified dependents of CHP employees.

Emergency and Death Benefits Program - The Foundation provides immediate financial assistance to current and active CHP employees and their families facing hardship due to prolonged illness, a medical emergency, natural disaster, or death.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation

The financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

The Foundation is required to report 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 and support are classified based on the existence of donor-imposed restrictions.

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions or donor restricted contributions whose restrictions are met within the same reporting period.

CHP 11-99 FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Financial Statement Presentation (Continued)

Net assets with donor restrictions - Net assets that are subject to donor-imposed time or use restrictions that have not been met as of year-end. Restricted gifts and grants received are reported as net assets without donor restrictions if the restriction is met in the same reporting period. Other donor restrictions are perpetual in nature, where the donor stipulates assets be maintained in perpetuity. At December 31, 2023, there were no assets with donor restrictions.

Prior-Year Comparative Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

CHP 11-99 FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Income Tax Status

The Foundation has been designated as tax-exempt under Internal Revenue Code Section 501(c)(3) and under Section 23701(d) of the California Revenue and Taxation Code and is not generally subject to federal or state income taxes. U.S. GAAP prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It requires that an organization recognize in the financial statements the impact of the tax position if that position will more likely than not be sustained on audit, based on the technical merits of the position. As of and for the year ended December 31, 2023, the Foundation had no unrecognized tax benefits, tax penalties, or interest.

The Foundation is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal purposes is three years and for California is four years, respectively.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all demand deposits to be cash equivalents.

Concentrations of Credit Risk

The Foundation's bank balances exceed the Federal Deposit Insurance Corporation insured limits. The Foundation has not experienced and does not anticipate any losses related to these balances.

CHP 11-99 FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Investments

Investments in marketable securities with readily determinable market values and all investments in debt securities are reported at fair value. The fair value of investments is valued at the closing price on the last business day of the fiscal year. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Interest and dividend income is recorded when earned. Gains or losses, and interest and dividend income are reflected in the statement of activities as increases or decreases in net assets without donor restrictions unless their use is temporarily or permanently restricted by donor restrictions.

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

Fair Value Measurements

The Foundation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine the fair value disclosures. Fair value is the price that would be received to sell assets or paid to transfer liabilities in orderly transactions between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument. The Foundation groups its assets and liabilities measured at fair value in three levels, based on the market in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. The three levels of the fair value hierarchy are as follows:

- Level 1** Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets

- Level 2** Includes other inputs that are directly or indirectly observable in the marketplace

CHP 11-99 FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Fair Value Measurements (Continued)

Level 3 Unobservable inputs which are supported by little or no market activity

For the year ended December 31, 2023, the application of valuation techniques applied to similar assets and liabilities has been consistent.

Inventory

Inventory consists of merchandise acquired for the Foundation’s membership programs. Purchased inventory is stated at the lower of cost or net realizable value. These items are either distributed on a complimentary basis or sold to current members or non-membership items to the public at events.

Property and Equipment

Property and equipment are stated at cost, if purchased, or at fair value at the date of the gift, if donated. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such restrictions, contributions of property and equipment are recorded as increases to net assets without donor restrictions.

Normal repairs and maintenance are expensed as incurred. Significant charges that materially increase values or extend useful lives are capitalized and depreciated over the estimated useful lives of the related assets.

Depreciation and amortization of property and equipment is computed using the straight-line method over the following estimated useful lives:

Building	25 years
Equipment and furniture	7 years
Computers and peripherals	3 years

CHP 11-99 FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Impairment of Long-Lived Assets

Management reviews each asset or asset group for impairment at least annually and whenever events or circumstances indicate that the carrying value of an asset or asset group may not be recoverable. No impairment provision was recorded by the Foundation during the year ended December 31, 2023.

Revenue and Support Recognition

The Foundation recognizes revenue and support when membership and contribution payments have been received. The Foundation records contributions as net assets with donor restrictions if they are received with donor stipulations that limit their use either through purpose or time restrictions, or both. When donor restrictions expire, that is, when the purpose restriction is fulfilled or the time restriction expires, 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. It is the Foundation's policy to record donor-restricted contributions received and expended in the same accounting period as contributions without donor restrictions.

Advances Received

The Foundation receives funds that are accompanied with membership applications. The Foundation conducts background checks prior to allocating the funds towards membership revenue. During this holding period of processing the application and conducting a background check, the funds are classified as advances received. Any prospective members who have their application rejected may request a refund.

Fundraising Events

During the years ended December 31, 2023 and 2022, the Foundation held a golf fundraising event and silent and live auctions which generated revenue from sponsorships, ticket sales, and donations. Revenue from these events is presented as net of related expenses of approximately \$566,000 and \$475,000 for the years ended December 31, 2023 and 2022, respectively.

CHP 11-99 FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Scholarships

Upon approval by the Scholarship Committee, award letters are sent to the successful applicants and are expected to be paid within one year. Scholarship funds are disbursed upon receipt of valid evidence of applicants' post-secondary level education enrollments. Scholarships awarded but not claimed as of December 31, 2023 and 2022, totaled approximately \$38,000 and \$44,000, respectively.

Allocation of Functional Expenses

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Certain expenses that are associated with the program or supporting service have been allocated among the program and supporting services benefited based on management's estimate of time spent on the program or supporting services.

NOTE 3 – Departure from US GAAP

Contributions receivable represent unconditional promises to give by donors and should be recorded at net realizable value. At December 31, 2023 and 2022, the Foundation did not record contributions receivable to be received over a 2 year period or longer.

The Foundation has excluded certain promises to give and pledges from contributions receivable and donation revenues in the accompanying statements of financial position and activities and changes in net assets, respectively. These promises should be included to conform to U.S. GAAP. If accounted for in conformity with U.S. GAAP, as of December 31, 2023 and 2022, contributions receivable and net assets would have been increased by \$1,228,078 and \$1,018,981, respectively, and the change in net assets would have decreased by approximately \$54,000 and increased by approximately \$282,000, respectively. A reconciliation of the difference in donations on the statement of activities is below for the year ended December 31:

CHP 11-99 FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 3 – Departure from US GAAP (Continued)

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Donations on statement of activities	\$ 2,883,167	\$ 3,368,470
New pledges during year	348,719	225,000
Cash received in current year on prior pledges	<u>(294,422)</u>	<u>(507,629)</u>
	<u>\$ 2,937,464</u>	<u>\$ 3,085,841</u>

NOTE 4 – Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date of December 31, 2023, comprise the following:

Cash and cash equivalents	\$ 3,999,105
Investments	77,357,240
Other receivables	114,181
Inventory	<u>494,704</u>
Total financial assets available within one year	<u>\$ 81,965,230</u>

The Foundation maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

CHP 11-99 FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 5 – Investments

The following table summarizes the Foundation’s investments by the fair value hierarchy as of December 31, 2023:

	Fair Value Measurements			Total
	Level 1	Level 2	Level 3	
Mutual funds	\$ 14,383,009	\$ -	\$ -	\$ 14,383,009
Equity securities	62,137,576	-	-	62,137,576
Cash	836,655	-	-	836,655
	<u>\$ 77,357,240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,357,240</u>

The following table summarizes the Foundation’s investments by the fair value hierarchy as of December 31, 2022:

	Fair Value Measurements			Total
	Level 1	Level 2	Level 3	
Asset and mortgage backed securities	\$ -	\$ 536,899	\$ -	\$ 536,899
Government and municipal bonds	4,372,707	-	-	4,372,707
Corporate bonds	1,620,726	-	-	1,620,726
Sovereign debt	-	62,173	-	62,173
Mutual funds	13,511,551	-	-	13,511,551
Equity securities	43,034,136	-	-	43,034,136
Cash	2,363,110	-	-	2,363,110
	<u>\$ 64,902,230</u>	<u>\$ 599,072</u>	<u>\$ -</u>	<u>\$ 65,501,302</u>

CHP 11-99 FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 5 – Investments (Continued)

Investment return (loss) consists of the following for the year ended:

	<u>2023</u>	<u>2022</u>
Interest, dividends, and other income	\$ 1,857,249	\$ 1,539,659
Investment realized and unrealized gain (loss)	9,013,006	(12,512,460)
Investment fees	<u>(383,365)</u>	<u>(536,585)</u>
	<u>\$ 10,486,890</u>	<u>\$ (11,509,386)</u>

NOTE 6 – Property and Equipment

Property and equipment consist of the following:

	<u>2023</u>	<u>2022</u>
Land	\$ 2,105,000	\$ 2,105,000
Building	195,000	195,000
Equipment and furniture	<u>193,390</u>	<u>189,403</u>
	2,493,390	2,489,403
Less accumulated depreciation	<u>(154,515)</u>	<u>(130,588)</u>
Total property and equipment, net	<u>\$ 2,338,875</u>	<u>\$ 2,358,815</u>

Total depreciation expense for the years ended December 31, 2023 and 2022 amounted to \$25,097 and \$40,613, respectively.

CHP 11-99 FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

NOTE 7 – Related-Party Transactions

The Foundation receives grant writing services from a related party. During the years ended December 31, 2023 and 2022, the Foundation paid \$81,360 and \$72,191, respectively, for these services. For the years ended December 31, 2023 and 2022, the Foundation had \$7,200 and \$6,066, respectively, due to the related party, which is included within accounts payable on the statement of financial position. For the years ended December 31, 2023 and 2022, the related-party grant writer raised \$406,200 and \$600,500, respectively, for the Foundation.

NOTE 8 – Employee Benefit Plan

The Foundation maintains a 403(b) defined contribution retirement plan (the Plan). Full-time employees are eligible to enroll in the Plan upon hire and are immediately vested at 100%. The Foundation contributes to the Plan upon hire. There is an automatic elective deferral of 4% which an employee receives whether they contribute or not. The Foundation matches up to 7.5% of employee contributions. For the years ended December 31, 2023 and 2022, the Foundation contributed \$107,913 and \$107,644, respectively.