

**THE HIGHLANDS BIOLOGICAL
FOUNDATION, INC.**

INDEPENDENT AUDITORS' REPORT
AND FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023



CORLISS &
SOLOMON
PLLC

CERTIFIED PUBLIC ACCOUNTANTS

The Highlands Biological Foundation, Inc.

Table of Contents

Year Ended December 31, 2023

Independent Auditors' Report	1 - 2
Financial Statements:	
<i>Statement of Financial Position</i>	3
<i>Statement of Activities</i>	4
<i>Statement of Functional Expenses</i>	5
<i>Statement of Cash Flows</i>	6
Disclosures to the Financial Statements.....	7 - 12



CORLISS &
SOLOMON
PLLC

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Highlands Biological Foundation, Inc.
Highlands, North Carolina

Opinion

We have audited the accompanying financial statements of The Highlands Biological Foundation, Inc. (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 disclosures to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Highlands Biological Foundation, Inc. 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 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 Highlands Biological Foundation, Inc. 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 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 Highlands Biological Foundation, Inc.'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 Highlands Biological Foundation, Inc'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 Highlands Biological Foundation, Inc'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 The Highlands Biological Foundation, Inc's 2022 financial statements, and our report dated October 31, 2023, expressed an unmodified opinion on those audited financial statements. 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.

Carliss & Solomon, PLLC

Asheville, North Carolina
October 17, 2024

The Highlands Biological Foundation, Inc.

Statement of Financial Position

As of December 31, 2023

(With summarized comparative totals as of December 31, 2022)

	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 71,070	\$ 55,565
Employee Retention Credit Receivable	23,765	81,735
Inventory	12,596	-
Other Assets	2,518	1,466
Total Current Assets	<u>109,949</u>	<u>138,766</u>
<u>Long-Term Assets</u>		
Investments	2,670,637	2,450,664
Property and Equipment, Net	425,749	440,503
Total Long-Term Assets	<u>3,096,386</u>	<u>2,891,167</u>
Total Assets	<u>\$ 3,206,335</u>	<u>\$ 3,029,933</u>
<u>Liabilities and Net Assets</u>		
<u>Current Liabilities</u>		
Accounts Payable	\$ 1,709	\$ 1,081
Total Current Liabilities	<u>1,709</u>	<u>1,081</u>
<u>Net Assets</u>		
Without Donor Restrictions	1,939,037	1,865,811
With Donor Restrictions	1,265,589	1,163,041
Total Net Assets	<u>3,204,626</u>	<u>3,028,852</u>
Total Liabilities and Net Assets	<u>\$ 3,206,335</u>	<u>\$ 3,029,933</u>

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

The Highlands Biological Foundation, Inc.

Statement of Activities

Year Ended December 31, 2023

(With summarized comparative totals from the prior year)

	Without Donor Restrictions	With Donor Restrictions	Total 2023	Total 2022
<u>Support and Revenue</u>				
Contributions	\$ 148,865	\$ 173,890	\$ 322,755	\$ 303,008
Grants	6,384	54,000	60,384	37,408
Event Income	152,050	-	152,050	145,030
Program Service Revenue	35,032	-	35,032	22,625
Gift Shop Revenue	42,243	-	42,243	44,848
Rental Income	14,100	-	14,100	3,600
In-Kind Contributions	5,000	-	5,000	-
Interest and Dividends	57,454	-	57,454	51,094
Net Assets Released from Restrictions	211,212	(211,212)	-	-
Total Support and Revenue	672,340	16,678	689,018	607,613
<u>Expenses</u>				
Program Services	536,291	-	536,291	502,187
Management and General	115,734	-	115,734	81,950
Fundraising	129,441	-	129,441	125,515
Total Expenses	781,466	-	781,466	709,652
Change in Net Assets before Other Changes in Net Assets	(109,126)	16,678	(92,448)	(102,039)
<u>Other Changes in Net Assets</u>				
Investment Gains/(Losses), Net	182,352	85,870	268,222	(368,574)
Total Change in Net Assets	73,226	102,548	175,774	(470,613)
Net Assets, Beginning of Year	1,865,811	1,163,041	3,028,852	3,499,465
Net Assets, End of Year	\$ 1,939,037	\$ 1,265,589	\$ 3,204,626	\$ 3,028,852

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

The Highlands Biological Foundation, Inc.

Statement of Functional Expenses

Year Ended December 31, 2023

(With summarized comparative totals from the prior year)

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total 2023</u>	<u>Total 2022</u>
<u>Personnel</u>					
Salaries	\$ 141,227	\$ 25,011	\$ 53,526	\$ 219,764	\$ 214,789
Payroll Taxes	11,755	2,082	4,455	18,292	16,483
Health and Life Insurance	19,621	3,475	7,436	30,532	30,466
Retirement	3,728	660	1,413	5,801	4,773
Subtotal Personnel	<u>176,331</u>	<u>31,228</u>	<u>66,830</u>	<u>274,389</u>	<u>266,511</u>
<u>Direct Support</u>					
Botanical Garden	878	-	-	878	-
Institute for the Environment	110,665	-	-	110,665	106,276
North Campus Project	54,071	-	-	54,071	52,879
Grants in Aid of Research	13,975	-	-	13,975	21,250
Other Station Support	7,950	-	-	7,950	34,379
Research Assistant	27,709	-	-	27,709	17,969
<u>Events</u>					
Highlands on the Half Shell	-	-	10,973	10,973	13,195
Soiree	-	-	44,417	44,417	38,580
<u>Programs</u>					
Carpenter Lecture	15,288	-	-	15,288	-
Nature Center	67,753	-	-	67,753	67,646
Summer Education	-	-	-	-	1,355
Zahner Lecture	6,781	-	-	6,781	4,299
Other Project Grants	16,750	-	-	16,750	-
Advertising	2,745	-	-	2,745	5,467
Bank Fees	-	7,061	-	7,061	4,501
Dues and Subscriptions	460	10,181	695	11,336	6,821
Equipment Purchases	948	1,959	-	2,907	2,047
Food and Beverage	2,065	887	-	2,952	-
Insurance	-	5,435	-	5,435	3,734
Maintenance and Repair	4,517	6,897	-	11,414	1,892
Miscellaneous	-	-	-	-	3,486
Office Supplies, Printing and Post	5,234	2,278	2,526	10,038	5,467
Professional Development	285	1,116	-	1,401	4,593
Professional Fees	129	46,785	4,000	50,914	26,455
Property Expense	-	-	-	-	6,355
Travel and Meetings	6,435	1,363	-	7,798	2,488
Utilities	568	544	-	1,112	974
Subtotal Expenses	<u>521,537</u>	<u>115,734</u>	<u>129,441</u>	<u>766,712</u>	<u>698,619</u>
Depreciation	14,754	-	-	14,754	11,033
Total Expenses	<u>\$ 536,291</u>	<u>\$ 115,734</u>	<u>\$ 129,441</u>	<u>\$ 781,466</u>	<u>\$ 709,652</u>

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

The Highlands Biological Foundation, Inc.

Statement of Cash Flows

Year Ended December 31, 2023

(With summarized comparative totals from the prior year)

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 175,774	\$ (470,613)
Adjustments to reconcile change in net assets to net cash provided or used by operating activities:		
Depreciation	14,754	11,033
Investment (Gains)/Losses, Net	(268,222)	368,574
Interest and Dividends	(57,455)	(51,094)
Stock Donations Received	(14,643)	(13,338)
Inventory Donations Received	(5,000)	-
(Increase)/Decrease in Operating Assets		
Employee Retention Credit Receivable	57,970	-
Inventory	(7,596)	-
Other Assets	(1,052)	(822)
Increase/(Decrease) in Operating Liabilities		
Accounts Payable	628	(385)
Payroll Liabilities	-	(3,438)
Net Cash Used by Operating Activities	<u>(104,842)</u>	<u>(160,083)</u>
Cash Flows from Investing Activities		
Purchase of Property and Equipment	-	(297,383)
Sale of Investments	120,347	340,000
Net Cash Provided by Investing Activities	<u>120,347</u>	<u>42,617</u>
Net Change in Cash and Cash Equivalents	<u>15,505</u>	<u>(117,466)</u>
Cash and Cash Equivalents, Beginning of Year	<u>55,565</u>	<u>173,031</u>
Cash and Cash Equivalents, End of Year	<u>\$ 71,070</u>	<u>\$ 55,565</u>
Supplemental Disclosures:		
Inventory Donations Received	<u>\$ 5,000</u>	<u>\$ -</u>

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

The Highlands Biological Foundation, Inc.

Disclosures to the Financial Statements

Year Ended December 31, 2023

1. Description of the Foundation, Corporate and Tax-Exempt Status

The Foundation's mission has not changed since its inception – to promote and support biological education and research in the Southern Appalachians. We provide research grants and scholarships to college faculty and students, and to scientists doing research at the Highlands Biological Station; grants to STEM programs, and college level environmental education curricula; but primarily focus on local community outreach via camps, lecture series, regular programming and special events for all ages from preschool through adult, with a strong commitment to educating families on the natural environments of the mountains.

Corporate and Tax-Exempt Status

The Highlands Biological Foundation, Inc. (the Foundation) was incorporated in June 1976 as a not-for-profit corporation under the laws of the state of North Carolina and has been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. Contributions to the Foundation qualify for the charitable contribution deduction under Section 170(b)(1)(a). The Foundation is classified as a publicly supported organization under Section 509(a)(1). The Foundation receives its support principally through contributions and grants.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on an accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (U.S. GAAP), as applicable to not-for-profit organizations.

Financial Statement Presentation

The classification of the Foundation's net assets, and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets – without donor restrictions and with donor restrictions – be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

The classes of net assets are defined as follows:

Net Assets Without Donor Restrictions – Includes net assets that are not subject to donor-imposed restrictions and that may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and board of directors.

Net Assets With Donor Restrictions - Includes net assets that are subject to restrictions imposed by donors or grantors. Some donor and grantor restrictions are temporary in nature, such as those with a specified purpose or a timeframe for expenditure established by the donor or grantor. Other donor-imposed restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

The Foundation's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase.

Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents. The Foundation maintains its cash and cash equivalents in various bank accounts that, at times, may exceed FDIC federally insured limits. The Foundation's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Foundation has not experienced, nor does it anticipate, any losses with respect to such accounts.

Investments

The Foundation records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment gain/(loss) is reported in the statement of activities and consists of interest and dividend income and realized and unrealized capital gains and losses, net of investment expenses.

Inventory

Inventory consists of the year-end remaining balance of retail items held in the gift shop at cost and an in-kind donation of two rugs. In-kind donated inventory is valued using estimates that approximate the fair value of the items. Total inventory was valued at \$12,596 as of December 31, 2023.

Property and Equipment

Property and equipment purchases are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. The Foundation has adopted a capitalization threshold of \$2,500 per item. Expenses for repairs and maintenance that do not improve or extend the life of an asset are expensed as incurred.

Contributions and Grants

Contributions and grants are recognized in support: (1) when the Foundation receives cash, securities or other assets from a donor or grantor, (2) when a donor conveys a promise to make a donation in the future, on an unconditional basis, and (3) when a grantor awards a grant to be paid in the future, on an unconditional basis. Contributions and grants with conditions, such as performance requirements, are not recognized until the conditions on which they depend have been substantially met.

Program Service Revenue

In accordance with U.S. GAAP, the Foundation follows ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606), which requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Program service revenue includes revenue from summer camps.

In-Kind Contributions

The Foundation recognizes contributed goods and the use of facilities at estimated fair value on the date of receipt. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. When recognized, contributed services are reported at fair value.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain valuation techniques are used to measure fair value. There are three broad levels as follows:

Level 1 – (the highest level) inputs are based on quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date. For example, securities traded in an active market are valued using Level 1 inputs.

Level 2 – inputs are observable inputs other than quoted prices, either directly or indirectly through corroboration with observable market data. If the asset or liability has a specified term, the Level 2 input must be observable for substantially the full term.

Level 3 – inputs are unobservable inputs for the asset or liability, meaning the inputs reflect the Foundation's own assumptions about the assumptions market participants would use in pricing the asset or liability, including inputs related to risk, which have been developed based on the best information available in the circumstances.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 revenues and expenses during the period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Certain categories of expenses that are attributable to more than one program or supporting function require management's allocation on a reasonable basis that is consistently applied. The primary allocation basis used by management for personnel expenses and applicable overhead expenses is estimated based on employee time and effort.

Income Taxes/Uncertain Tax Positions

The Foundation is exempt from federal income taxes under 501(c)(3) of the Internal Revenue Code. Under the Code, however, income from certain activities not related to the Foundation's tax-exempt purpose may be subject to taxation as unrelated business income. The Foundation had no income from unrelated business activities in 2023 and was, therefore, not required to file Federal Form 990-T (Exempt Organization Business Income Tax Return). The Foundation believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Summarized Comparative Data

The financial statements include certain prior-year summarized comparative information. 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 audited financial statements for the year ended December 31, 2022, from which the summarized information was derived. Certain amounts in the prior-year financial statements have been reclassified to conform to the current year presentation.

3. Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following:

<u>As of December 31:</u>	<u>2023</u>	<u>2022</u>
Financial Assets at Year end:		
Cash and Cash Equivalents	\$ 71,070	\$ 55,565
Employee Retention Credit Receivable	23,765	81,735
Investments	<u>2,670,637</u>	<u>2,450,664</u>
Total Financial Assets	2,765,472	2,587,964
Less Amounts not Available to be Used in One Year:		
Net Assets With Donor Restrictions	<u>1,265,589</u>	<u>1,163,041</u>
Total Not Available to be Used in One Year	<u>1,265,589</u>	<u>1,163,041</u>
Financial Assets Available to Meet General Expenditures Over the Following Year	<u>\$ 1,499,883</u>	<u>\$ 1,424,923</u>

4. Cash and Cash Equivalents

Cash is maintained in two accounts at one financial institution. The cash balances totaled \$71,070 and \$55,565 for the years ended December 31, 2023 and 2022, respectively.

5. Employee Retention Credit Receivable

During the year ended December 31, 2021, the Foundation recognized an employee retention credit under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The employee retention credit is a refundable tax credit provided to eligible employers who have experienced a significant decline in gross receipts or were partially or fully suspended due to government-mandated COVID-19 restrictions. The employee retention credit was calculated based on eligible wages paid to qualified employees during the eligible periods as defined by the CARES Act. The organization applied the applicable provisions of the CARES Act and related guidance issued by the Internal Revenue Service (IRS) to determine the amount of the credit.

The Foundation had an Employee Retention Credit receivable totaling \$23,765 and \$81,735 as of December 31, 2023 and 2022, respectively. This credit requires that participants follow specific laws, regulations, and cost principles and are subject to audit and retroactive adjustment by the respective fiscal intermediaries. The scope of our audit did not include testing of this credit for compliance with the specific laws, regulations and cost principles.

6. Investments

Investments are maintained in three accounts with activity for the year ended December 31, 2023, is as follows:

	<u>Foundation</u>	<u>North Campus</u>	<u>Sanger</u>	<u>Total</u>
As of December 31, 2022	\$ 1,966,634	\$ 484,030	\$ -	\$ 2,450,664
Contributions	14,661	-	102,000	116,661
Interest and Dividends	43,056	13,207	1,191	57,454
Investment Gains	242,074	42,553	5,185	289,812
Investment Fees	(17,538)	(3,810)	(242)	(21,590)
Withdrawals	(222,364)	-	-	(222,364)
As of December 31, 2023	<u>\$ 2,026,523</u>	<u>\$ 535,980</u>	<u>\$ 108,134</u>	<u>\$ 2,670,637</u>

Asset allocation by investment type is as follows:

<u>As of December 31:</u>	<u>2023</u>	<u>2022</u>
Stocks	\$ 1,760,603	\$ 1,834,905
Bonds	165,490	158,062
Certificates of Deposit	576,186	424,374
Cash and Money Market Funds	168,358	33,323
Total Investments	<u>\$ 2,670,637</u>	<u>\$ 2,450,664</u>

7. **Property and Equipment**

The Foundation owns two tracts of land, Dulany and Howell, which were received by donation in 1965 and 1948, respectively. They are maintained on the books at original cost value. In April 2015, the Foundation received via bequest the Sato Property and Building listed below at estimated fair value. The Highlands Townsite Condo was purchased in 2022 to help provide shelter to staff and interns. Property and equipment are summarized as follows:

<u>As of December 31:</u>	<u>2023</u>	<u>2022</u>
Dulany Bog (8 acres)	\$ 4,300	\$ 4,300
Howell Lands (6.25 acres)	1,800	1,800
Sato Property (1.38 acres)	67,500	67,500
Total Lands	<u>73,600</u>	<u>73,600</u>
Highlands Townsite Condo	297,383	297,383
Building (Sato Property)	98,760	98,760
Office Equipment	13,379	13,379
Less: Accumulated Depreciation	<u>(57,373)</u>	<u>(42,619)</u>
Total Building and Equipment, Net	<u>352,149</u>	<u>366,903</u>
Total Property and Equipment, Net	<u>\$ 425,749</u>	<u>\$ 440,503</u>

Depreciation expense is \$14,754 and \$11,033 for the years ended December 31, 2023 and 2022, respectively.

8. **North Campus Project**

The Highlands Biological Foundation, Inc. conducted a multi-year capital campaign to build an addition and enhancement of the Highlands Biological Station's North Campus.

Constructed under a temporary ground lease from Western Carolina University, this project includes a pollinator garden, a walkway around the lake, a teaching pavilion, widened dam, and a new entrance with parking and restroom facilities.

In 2023, the Highlands Biological Foundation, Inc. paid the final retainage for the North Campus Project, the project passed inspection by the State Construction Office, and the temporary ground lease ended. As of December 31, 2023 approximately \$2,169,005 had been expended on this project.

9. **Net Assets With Donor Restrictions**

The Foundation generally maintains net assets with donor restrictions in its investment account and its operating checking account. It is the Foundation's policy that investment income and gains on the long-term program funds and the scholarship funds are added to the net asset with donor restrictions. Net assets with donor restrictions were available for the following programs and purposes:

<u>As of December 31:</u>	<u>2023</u>	<u>2022</u>
Operating Fund	\$ 242,788	\$ 235,613
Nature Center	21,774	14,591
Botanical Garden	12,849	7,502
Zahner Lectures	16,369	16,910
Carpenter Fund	45,952	59,373
Woodruff Fund (North Campus)	535,980	484,030
Sanger Fund	108,134	59,371
Research	-	19,161
Community Outreach	12,972	-
Grumbles	28,191	44,903
Haynes	6,055	6,055
Rebrand Project	11,159	-
Scholarship Funds:		
Olive	83,177	80,719
Howell	12,922	12,472
Coker	15,181	14,732
Sargent	15,810	15,343
Bruce	32,285	30,361
Haggard	29,925	29,040
Semlitsch	34,066	32,865
Net Assets with Donor Restrictions	<u>\$ 1,265,589</u>	<u>\$ 1,163,041</u>

10. In-Kind Contributions

The Foundation received an in-kind contribution of two rugs, which it plans to sell and use the funds toward its mission. The in-kind contribution totaled \$5,000 for the year ended December 31, 2023.

11. Fair Value Measurements

Fair values of assets measured on a recurring basis as of December 31, 2023, are as shown on the following schedule:

<u>As of December 31:</u>	<u>Fair Value</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Investments				
Stocks	\$ 1,760,603	\$ 1,760,603	\$ -	\$ -
Bonds	165,490	165,490	-	-
Certificates of Deposit	576,186	576,186	-	-
Money Funds	168,358	168,358	-	-
Total	<u>\$ 2,670,637</u>	<u>\$ 2,670,637</u>	<u>\$ -</u>	<u>\$ -</u>

12. Subsequent Events

On July 10, 2024, the Foundation was gifted an office space located in Highlands, NC, with a taxable value of \$550,520.

Subsequent events have been evaluated through October 17, 2024, which is the date the financial statements were available to be issued.