

The Children's Home Society of Florida Foundation, Inc.

Financial Report
June 30, 2022

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RSM US LLP

Independent Auditor's Report

Board of Directors
The Children's Home Society of Florida Foundation, Inc.

Opinion

We have audited the financial statements of The Children's Home Society of Florida Foundation, Inc. (the Foundation), which comprise the statements of financial position as of June 30, 2022 and 2021, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's 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 audits. 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 Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's 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 auditor's 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 GAAS 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 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 GAAS, 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.

RSM US LLP

Orlando, Florida
December 20, 2022

The Children's Home Society of Florida Foundation, Inc.

Statements of Financial Position
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	\$ 799,935	\$ 2,311,484
Interest and dividends receivable	29,067	6,860
Investments	24,743,497	27,783,498
	<u>24,743,497</u>	<u>27,783,498</u>
Total assets	\$ 25,572,499	\$ 30,101,842
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 15,486	\$ 10,403
Total liabilities	15,486	10,403
Net assets with donor restrictions:		
Restricted for specified purposes	16,468,790	21,132,678
Restricted in perpetuity—endowment	9,088,223	8,958,761
Total net assets with donor restrictions	25,557,013	30,091,439
Total liabilities and net assets	\$ 25,572,499	\$ 30,101,842

See notes to financial statements.

The Children's Home Society of Florida Foundation, Inc.

Statement of Activities
Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Contributions	\$ -	\$ 197,412	\$ 197,412
Investment loss, net	-	(3,661,936)	(3,661,936)
Net assets released from restrictions	1,069,902	(1,069,902)	-
Total support and revenue	1,069,902	(4,534,426)	(3,464,524)
Expenses:			
Professional fees	256,914	-	256,914
Total expenses	256,914	-	256,914
Change in net assets before other changes	812,988	(4,534,426)	(3,721,438)
Other changes:			
Contributions to The Children's Home Society of Florida	(812,988)	-	(812,988)
Change in other changes	(812,988)	-	(812,988)
Change in net assets	-	(4,534,426)	(4,534,426)
Net assets:			
Beginning	-	30,091,439	30,091,439
Ending	\$ -	\$ 25,557,013	\$ 25,557,013

See notes to financial statements.

The Children's Home Society of Florida Foundation, Inc.

Statement of Activities
Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Contributions	\$ -	\$ 131,678	\$ 131,678
Investment income, net	-	6,144,053	6,144,053
Net assets released from restrictions	1,158,137	(1,158,137)	-
Total support and revenue	1,158,137	5,117,594	6,275,731
Expenses:			
Professional fees	256,694	-	256,694
Total expenses	256,694	-	256,694
Change in net assets before other changes	901,443	5,117,594	6,019,037
Other changes:			
Contributions to The Children's Home Society of Florida	(901,443)	-	(901,443)
Change in other changes	(901,443)	-	(901,443)
Change in net assets	-	5,117,594	5,117,594
Net assets:			
Beginning	-	24,973,845	24,973,845
Ending	\$ -	\$ 30,091,439	\$ 30,091,439

See notes to financial statements.

The Children's Home Society of Florida Foundation, Inc.

Statements of Cash Flows
Years Ended June 30, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (4,534,426)	\$ 5,117,594
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net realized and unrealized losses (gains) on investments	4,519,555	(5,591,021)
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Interest and dividends receivable	(22,207)	8,746
Increase in liabilities:		
Accounts payable	5,083	1,143
Net cash used in operating activities	(31,995)	(463,538)
Cash flows from investing activities:		
Proceeds from sales of investments	11,260,687	14,486,296
Purchases of investments	(12,740,241)	(13,785,526)
Net cash (used in) provided by investing activities	(1,479,554)	700,770
Net (decrease) increase in cash and cash equivalents	(1,511,549)	237,232
Cash and cash equivalents:		
Beginning	2,311,484	2,074,252
Ending	\$ 799,935	\$ 2,311,484

See notes to financial statements.

The Children's Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization: On December 7, 1984, the Board of Directors of The Children's Home Society of Florida (CHS) authorized a campaign to generate permanent endowment funds for Tomorrow's Children.

In order to ensure the permanency of the Tomorrow's Children fund, The Children's Home Society of Florida Foundation, Inc. (the Foundation) was established as a separate entity and was incorporated on December 18, 1990. Operations began April 1, 1991, upon the initial transfer of assets from CHS. The Foundation was organized to operate exclusively for the benefit of CHS and may receive contributions designated by the donor as restricted for specified purposes or restricted in perpetuity—endowment funds from any source acceptable to its Board of Directors. In accordance with the amended and restated Articles of Incorporation, the Foundation can hold funds which are available (both principal and interest) for CHS at the discretion of the Board of Directors of the Foundation or based on the nature of the contributions. All fundraising activities are performed by CHS; therefore, no fundraising expenses are included in the accompanying financial statements.

A summary of the Foundation's significant accounting policies follows:

Basis of presentation: The accompanying financial statements have been prepared on the accrual basis of accounting.

A nonprofit organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations, but may be designated for specific purposes by action of the Board of Directors. Since all contributions can only benefit CHS, all contributions are considered net assets with donor restrictions.

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation, passage of time or permanently maintained by the Foundation.

Contributions and donor-imposed restrictions: Unconditional promises to give are recognized as contributions in the period received at their fair value and as net assets with donor restrictions. Conditional contributions or promises to give, that is those with both a measurable performance or other barrier and a right of return or release, are not recognized until they become unconditional, that is, at the time when the conditions on which they depend on are substantially met. When a donor-imposed restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified into net assets without donor restrictions and are reported in the accompanying statements of activities as net assets released from restrictions. Earnings on contributions are restricted to use as specified by the donor. When donor restrictions are met, the earnings are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions.

Contributed services are recognized and recorded at fair value only to the extent they create or enhance non-financial assets or require specialized skills, are provided by individuals possessing these skills and would typically need to be purchased if not provided by donations. The Foundation recorded no contributed services for the years ended June 30, 2022 and 2021. However, many individuals volunteer time and perform a variety of tasks for the Foundation. The value of the volunteered time for these functions are not included in the accompanying financial statements because it does not meet the recognition criteria.

The Children's Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Cash and cash equivalents: For purposes of the statements of cash flows, the Foundation considers all short-term securities issued by financial institutions with an original maturity of three months or less to be cash and cash equivalents.

Investments and investment income (loss), net: Investments are reported at fair value (see Note 2). Investment income (loss), net, reported in the accompanying statements of activities, includes realized and unrealized gains and losses and interest and dividend income, net of investment expenses, as increases or decreases in net assets with donor restrictions.

Income taxes: The Foundation is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code and from state income taxes under a similar provision of the Florida statutes. Accordingly, no provision for federal and state income taxes has been recorded in the accompanying financial statements.

The Foundation follows accounting standards relating to accounting for uncertainty in income taxes. The Foundation assessed whether there were any uncertain tax positions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying financial statements. The Foundation files income tax returns in the U.S. federal jurisdiction. Generally, the Foundation is no longer subject to U.S. federal income tax examinations by tax authorities for years before June 30, 2019.

Endowments funds: The Foundation follows accounting standards relating to endowments of nonprofit organizations and net asset classification of funds, as adopted by the state of Florida, subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and enhanced disclosures for all endowment funds. These standards require additional disclosures about endowments (both donor-restricted funds and board-designated funds).

The Foundation's endowment funds included donor restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation maintains the original historical dollar value of the contribution received as an endowment. The Foundation classifies as net assets with donor restrictions—restricted in perpetuity: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) those limited circumstances where donors have required that a portion of investment return be added to the endowment.

The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

The Children's Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Spending policy: Endowments are established to preserve principal and generate an income stream to support the purpose of the funds held. A spending policy establishes a reasonable, sustainable, consistent and predictable expenditure level, which enables the Foundation to use endowment earnings to support its operations and CHS to the fullest extent possible, while ensuring that the principal value of the endowment is maintained and protected from the effects of inflation.

The Foundation has established a policy that investment income from endowments is used to support its operations and CHS. Investment income from endowments to be used to support its operations and CHS is determined by investment earnings on endowments, net of any realized gains or losses. The original principal in the restricted endowment is invested in perpetuity and thus is not available to fund any draws.

Investment policy: The general investment objective is to provide income to augment and support current operating needs and to provide contributions to CHS, together with principal growth to offset the effects of inflation. The endowment funds are diversified across asset classes to achieve an optimal balance between risk and return. The Foundation establishes a reasonable risk level it is willing to accept when it determines in which funds to invest. The Board of Directors is responsible for determining how and where funds are invested. All investments will be made within the Investment Policy Guidelines set by the Board of Directors.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 support and revenue, and expenses during the reporting period. Actual results could differ from those estimates.

Recent accounting pronouncements: The Financial Accounting Standards Board (FASB) has issued certain new or modifications to, or interpretations of, existing accounting guidance. The Foundation has considered the new pronouncements and does not believe that any new or modified guidance will have a material impact on the Foundation's reported financial position or activities in the near term.

Subsequent events: The Foundation has evaluated subsequent events through December 20, 2022, the date the financial statements were available to be issued.

The Children's Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 2. Investments and Fair Value Measurements

The fair value of investments at June 30, 2022 and 2021, consists of the following:

	2022	2021
Equity securities:		
Mutual funds:		
Large blend fund	\$ 9,532,642	\$ 10,608,902
Intermediate core-plus bond fund	3,594,278	4,699,895
Multistrategy fund	3,211,561	2,903,643
Small blend fund	1,846,953	577,861
Foreign large blend fund	1,233,095	1,575,347
Mid-cap blend fund	981,536	760,206
Real estate fund	868,947	15,705
Foreign large growth fund	790,608	1,255,337
Diversified emerging markets fund	620,316	1,221,703
High yield bond fund	512,049	273,573
Commodities focused fund	410,045	3,265
Large growth fund	405,397	957,739
Nontraditional bond fund	315,352	585,991
Foreign large value fund	229,497	265,481
Foreign small/mid blend fund	173,645	198,466
Infrastructure fund	9,023	438,915
Large value fund	8,553	487,177
Bank loan fund	-	426,330
Real estate investment trust	-	527,962
	<u>\$ 24,743,497</u>	<u>\$ 27,783,498</u>

The Foundation invests in various investment securities in accordance with its investment policy. These investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the uncertainty related to changes in their values, it is reasonable to expect that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment balance.

The Foundation follows accounting standards relating to fair value measurements which defines fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the United States of America, and expands disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The accounting standards relating to fair value measurements establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. Investments recorded at fair value in the accompanying statements of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs, as defined by this guidance, are as follows:

Level 1: Quoted market prices in active markets for identical assets or liabilities

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data

The Children’s Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 2. Investments and Fair Value Measurements (Continued)

Level 3: Unobservable inputs that are not corroborated by market data

Fair value of actively traded debt and equity securities are based on quoted market prices.

The following tables summarize fair value measurements by level at June 30, 2022 and 2021, for investments measured at fair value on a recurring basis:

	2022			
	Fair Value Measurements Using			Total
	Level 1	Level 2	Level 3	
Equity securities:				
Mutual funds:				
Large blend fund	\$ 9,532,642	\$ -	\$ -	\$ 9,532,642
Intermediate core-plus bond fund	3,594,278	-	-	3,594,278
Multistrategy fund	3,211,561	-	-	3,211,561
Small blend fund	1,846,953	-	-	1,846,953
Foreign large blend fund	1,233,095	-	-	1,233,095
Mid-cap blend fund	981,536	-	-	981,536
Real estate fund	868,947	-	-	868,947
Foreign large growth fund	790,608	-	-	790,608
Diversified emerging markets fund	620,316	-	-	620,316
High yield bond fund	512,049	-	-	512,049
Commodities focused fund	410,045	-	-	410,045
Large growth fund	405,397	-	-	405,397
Nontraditional bond fund	315,352	-	-	315,352
Foreign large value fund	229,497	-	-	229,497
Foreign small/mid blend fund	173,645	-	-	173,645
Infrastructure fund	9,023	-	-	9,023
Large value fund	8,553	-	-	8,553
Total investments at fair value	<u>\$ 24,743,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,743,497</u>

The Children's Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 2. Investments and Fair Value Measurements (Continued)

	2021			
	Fair Value Measurements Using			Total
	Level 1	Level 2	Level 3	
Equity securities:				
Mutual funds:				
Large blend fund	\$ 10,608,902	\$ -	\$ -	\$ 10,608,902
Intermediate core-plus bond fund	4,699,895	-	-	4,699,895
Multistrategy fund	2,903,643	-	-	2,903,643
Foreign large blend fund	1,575,347	-	-	1,575,347
Foreign large growth fund	1,255,337	-	-	1,255,337
Diversified emerging markets fund	1,221,703	-	-	1,221,703
Large growth fund	957,739	-	-	957,739
Mid-cap blend fund	760,206	-	-	760,206
Nontraditional bond fund	585,991	-	-	585,991
Small blend fund	577,861	-	-	577,861
Large value fund	487,177	-	-	487,177
Infrastructure fund	438,915	-	-	438,915
Bank loan fund	426,330	-	-	426,330
High yield bond fund	273,573	-	-	273,573
Foreign large value fund	265,481	-	-	265,481
Foreign small/mid blend fund	198,466	-	-	198,466
Real estate fund	15,705	-	-	15,705
Commodities focused fund	3,265	-	-	3,265
Total investments in fair value hierarchy	27,255,536	-	-	27,255,536
Real estate investment trust measured at net asset value (a)	-	-	-	527,962
Total investments at fair value	<u>\$ 27,255,536</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,783,498</u>

(a) Certain investments that are measured at net asset value per share as a practical expedient or its equivalent have not been classified in the fair value hierarchy. The fair value amounts presented in this table are reported for the purpose of reconciling the fair value hierarchy to the investments reported in the statements of financial position.

The real estate investment trust at June 30, 2021, consisted of an investment in Clarion Lion Properties Fund, LP (the Fund), which is a Delaware limited partnership that engages in the business of acquiring, owning, holding for investment and investing in or engaging in activities related to investment in real estate assets. The Fund is an open-end real estate fund that holds a strategically diversified portfolio of real estate assets across four main property types in major markets throughout the United States. The primary performance objective is to combine an attractive income yield with long-term capital growth. The fair value was determined using the net asset value per share as a practical expedient, as provided by the investment manager. Redemptions under the real estate investment trust can be made daily with a 90-day notice period. The Foundation received audited financial statements annually and quarterly unaudited performance reports.

The Children's Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 2. Investments and Fair Value Measurements (Continued)

The following table sets forth additional disclosures of the Foundation's investments whose fair value is estimated using net asset value per share (or its equivalent) as of June 30, 2021:

	2021			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Real estate investment trust	\$ 527,962	\$ -	Daily	90 days

Note 3. Related Party Transactions

The Foundation is related to CHS through common members of both the Foundation's and the CHS' Boards, however, the Foundation and CHS have separate Boards. The Foundation does not have majority voting control over CHS, as well as CHS does not have majority voting control over the Foundation. Accordingly, the financial statements of the Foundation are not consolidated with CHS.

Distributions of net investment income, less reasonable and necessary expenses of the Foundation, are typically distributed to CHS upon approval by the Foundation's Board of Directors. The contributions made to CHS during the years ended June 30, 2022 and 2021, were \$812,988 and \$901,443, respectively.

CHS provides program and support services to the Foundation. The Foundation entered into a management agreement with CHS in which a flat fee per month is paid to CHS to cover program and support service expenses. The cost of these services were \$236,052 for the years ended June 30, 2022 and 2021, and is included in professional fees in the accompanying statements of activities.

The Children’s Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 4. Net Assets With Donor Restrictions

Net assets with donor restrictions—restricted in perpetuity consist of endowments whereby the principal is permanently restricted in accordance with donor stipulations. Income is available for use by the Foundation according to donor stipulations. Net assets with donor restrictions—restricted for specified purposes are available for the following purposes (which includes income from net assets with donor restrictions—restricted in perpetuity) and net assets with donor restrictions—restricted in perpetuity are restricted to the following as of June 30, 2022 and 2021:

	2022		
	Restricted for Specified Purposes	Restricted in Perpetuity— Endowment	Total
Restricted to a region of CHS:			
Central Florida	\$ 909,753	\$ 39,219	\$ 948,972
Central Florida—Gainesville—Ocala	215,157	61,004	276,161
Greater Lakeland	156,286	281,465	437,751
Home Office	28,187	10,343	38,530
Miami—Dade	3,432,220	764,304	4,196,524
North—Panama City	8,526	750	9,276
Northeast—Big Bend	82,639	57,511	140,150
Northeast—Daytona	166,080	297,731	463,811
Northeast—Jacksonville	2,552,718	2,436,815	4,989,533
South—Broward	66,905	91,040	157,945
South—Palm Beach	2,119,398	295,710	2,415,108
Space Coast	180,779	803	181,582
Suncoast—Ft. Myers	21,044	43,740	64,784
Suncoast—Tampa	461,751	532,643	994,394
Treasure Coast	1,828,736	4,074	1,832,810
Western	339,922	340,413	680,335
Other restricted amounts for CHS operations	3,898,689	3,830,658	7,729,347
	<u>\$ 16,468,790</u>	<u>\$ 9,088,223</u>	<u>\$ 25,557,013</u>

The Children’s Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 4. Net Assets With Donor Restrictions (Continued)

	2021		
	Restricted for Specified Purposes	Restricted in Perpetuity— Endowment	Total
Restricted to a region of CHS:			
Central Florida	\$ 1,157,752	\$ 39,219	\$ 1,196,971
Central Florida—Gainesville—Ocala	263,061	61,004	324,065
Greater Lakeland	224,632	281,465	506,097
Home Office	34,871	10,343	45,214
Miami—Dade	4,155,674	764,304	4,919,978
North—Panama City	10,135	750	10,885
Northeast—Big Bend	55,464	52,511	107,975
Northeast—Daytona	238,785	297,731	536,516
Northeast—Jacksonville	3,411,171	2,418,965	5,830,136
South—Broward	91,803	91,040	182,843
South—Palm Beach	2,538,336	295,710	2,834,046
Space Coast	208,847	803	209,650
Suncoast—Ft. Myers	32,282	43,740	76,022
Suncoast—Tampa	621,494	532,643	1,154,137
Treasure Coast	2,110,371	4,074	2,114,445
Western	423,995	340,313	764,308
Other restricted amounts for CHS operations	5,554,005	3,724,146	9,278,151
	<u>\$ 21,132,678</u>	<u>\$ 8,958,761</u>	<u>\$ 30,091,439</u>

Note 5. Liquidity and Availability of Resources

As of June 30, 2022 and 2021, the following reflects the Foundation’s financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of June 30, 2022 and 2021.

	2022	2021
Financial assets, at year-end:		
Cash and cash equivalents	\$ 799,935	\$ 2,311,484
Interest and dividends receivable	29,067	6,860
Investments	24,743,497	27,783,498
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donors with purpose restrictions	(16,468,790)	(21,132,678)
Restricted by donors in perpetuity	(9,088,223)	(8,958,761)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 15,486</u>	<u>\$ 10,403</u>

The Foundation’s sole purpose is to support CHS and, therefore, does not have cash needs for general expenditures.

The Children’s Home Society of Florida Foundation, Inc.

Notes to Financial Statements

Note 6. Functional Classification of Expenses

Expenses by function for the years ended June 30, 2022 and 2021, were as follows:

	2022		
	Program Services	Management and General	Total Expenses
Professional fees	\$ 214,592	\$ 42,322	\$ 256,914

	2021		
	Program Services	Management and General	Total Expenses
Professional fees	\$ 214,592	\$ 42,102	\$ 256,694

Note 7. Endowments

In accordance with accounting standards relating to endowments, the Foundation had the following donor-restricted endowment-related activities during the years ended June 30, 2022 and 2021:

	2022	
	Restricted for Specified Purposes	Restricted in Perpetuity—Endowment
Donor-restricted endowment funds—July 1, 2021	\$ 21,132,678	\$ 8,958,761
Support—contributions	67,950	129,462
Investment loss, net	(3,661,936)	-
Appropriation for expenditures	(1,069,902)	-
Donor-restricted endowment funds—June 30, 2022	\$ 16,468,790	\$ 9,088,223

	2021	
	Restricted for Specified Purposes	Restricted in Perpetuity—Endowment
Donor-restricted endowment funds—July 1, 2020	\$ 15,954,460	\$ 9,019,385
Support—contributions	115,302	16,376
Investment income, net	6,144,053	-
Appropriation for expenditures	(1,081,137)	(77,000)
Donor-restricted endowment funds—June 30, 2021	\$ 21,132,678	\$ 8,958,761