THE COMMUNITY FOUNDATION FOR THE CENTRAL SAVANNAH RIVER AREA AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2021 and 2020

And Report of Independent Auditor

Cherry Bekaert LLP
CPAs & Advisors

THE COMMUNITY FOUNDATION FOR THE
CENTRAL SAVANNAH RIVER AREA AND AFFILIATES

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Report of Independent Auditor

To the Board of Directors
The Community Foundation for the
Central Savannah River Area and Affiliates
Augusta, Georgia

Opinion

We have audited the accompanying consolidated financial statements of The Community Foundation for the Central Savannah River Area and Affiliates (the "Foundation"), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Foundation as of December 31, 2021 and 2020, and the results of its operations 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of 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 audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Foundation's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 consolidated 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 consolidated 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 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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about 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.

Cherry Bekaert LLP

Augusta, Georgia
May 18, 2022

THE COMMUNITY FOUNDATION FOR THE
CENTRAL SAVANNAH RIVER AREA AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,361,981	$ 4,579,240
Interest receivable	11,934	-
Total Current Assets	1,373,915	4,579,240
Noncurrent Assets:		
Investments	127,286,210	100,191,639
Other investments	14,600,000	14,600,000
Property held for investment	774,182	774,182
Note receivable	14,321,000	-
Property and equipment, net of accumulated depreciation	-	2,570
Total Noncurrent Assets	156,981,392	115,568,391
Total Assets	$ 158,355,307	$ 120,147,631
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$ 15,395	$ 6,092
Grants payable	17,272	-
Deferred rent revenue	185,404	194,090
Total Current Liabilities	218,071	200,182
Long-Term Liabilities:		
Other liabilities	10,793	9,782
Assets held for others	35,435,492	29,086,157
Paycheck Protection Program loan	-	76,800
Total Long-Term Liabilities	35,446,285	29,172,739
Total Liabilities	35,664,356	29,372,921
Net Assets:		
Without donor restrictions:		
Undesignated	38,233,387	26,051,242
Donor advised	58,151,800	48,541,341
Organization	7,203,402	7,118,656
Field of interest	7,501,260	4,392,331
Scholarship	3,738,436	3,257,042
Designated by the Board	225,000	225,000
Total Without Donor Restrictions	115,053,285	89,585,612
With donor restrictions:		
Perpetual in nature	3,377,046	1,189,098
Purpose restricted	4,260,620	-
Total With Donor Restrictions	7,637,666	1,189,098
Total Net Assets	122,690,951	90,774,710
Total Liabilities and Net Assets	$ 158,355,307	$ 120,147,631

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

THE COMMUNITY FOUNDATION FOR THE
CENTRAL SAVANNAH RIVER AREA AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Changes in net asset without donor restrictions:		
Support:		
Contributions	$ 21,303,009	$ 12,521,226
Government grant	76,800	-
Investment return, net	12,194,958	5,498,504
Donor administrative fees	171,008	138,897
	33,745,775	18,158,627
Investment activity related to property held for investment:		
Expenses related to property held for investment	(54,398)	(235,765)
Rental income from property held for investment	62,073	159,302
	7,675	(76,463)
Net assets released from restrictions:		
Satisfaction of program restrictions	1,077,420	603,440
	1,077,420	603,440
Total Revenues, Gains, and Other Support Without Donor Restrictions	34,830,870	18,685,604
Expenses:		
Program expenses	8,738,505	7,683,714
Management and general expenses	406,970	442,267
Fundraising expenses	217,721	136,188
Total Expenses	9,363,196	8,262,169
Change in Net Assets Without Donor Restrictions	25,467,674	10,423,435
Change in net assets with donor restrictions:		
Contributions	7,237,494	1,153,560
Investment return, net	305,455	120,378
Donor administrative fees	(16,962)	(6,989)
Net assets released from restrictions	(1,077,420)	(603,440)
Change in Net Assets With Donor Restrictions	6,448,567	663,509
Change in net assets	31,916,241	11,086,944
Net assets, beginning of year	90,774,710	79,687,766
Net assets, end of year	$ 122,690,951	$ 90,774,710

THE COMMUNITY FOUNDATION FOR THE
CENTRAL SAVANNAH RIVER AREA AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Cash flows from operating activities:		
Cash received from contributions	$ 28,540,503	$ 12,985,526
Cash received from assets held for others	2,943,998	1,398,991
Transfer of administrative fees from investments to cash and cash equivalents	691,627	656,449
Cash received from loan interest income	18,697	-
Cash paid for supporting services	(796,835)	(707,837)
Cash paid from assets held for others	(1,100,789)	(917,990)
Unrestricted and donor-advised grants paid	(7,611,595)	(7,531,857)
Net cash flows from operating activities	22,685,606	5,883,282
Cash flows from investing activities:		
Purchases of investments	(94,470,217)	(19,477,425)
Proceeds from sales of investments	82,888,352	17,245,334
Issuance of note receivable	(14,321,000)	-
Net cash flows from investing activities	(25,902,865)	(2,232,091)
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program loan	-	76,800
Net cash flows from financing activities	-	76,800
Net change in cash and cash equivalents	(3,217,259)	3,727,991
Cash and cash equivalents, beginning of year	4,579,240	851,249
Cash and cash equivalents, end of year	$ 1,361,981	$ 4,579,240

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

Note 1—Nature of activities

The Community Foundation for the Central Savannah River Area (the "Community Foundation") was incorporated in 1995 as the Greater Augusta Community Foundation, Inc. The name was changed to CSRA Foundation, Inc. in 1998, and in 2003 to The Community Foundation for the Central Savannah River Area. The Community Foundation is a nonprofit organization, and its stated purpose is to receive and accept property to be administered exclusively for charitable purposes, primarily in or for the benefit of the community of Augusta, Georgia and its surrounding communities, collectively known as the Central Savannah River Area ("CSRA").

Note 2—Summary of significant accounting policies

Consolidated Financial Statements – The consolidated financial statements include the accounts of the Community Foundation and its affiliates, CSRA Foundation Property Holdings, Inc. and CSRA Foundation Property Holdings 2, Inc. (collectively, the "Foundation"), which are nonprofit organizations formed to act as supporting organizations for the Community Foundation. The purpose of CSRA Foundation Property Holdings, Inc. and CSRA Foundation Property Holdings 2, Inc. is to receive and accept property on behalf of the Community Foundation and to distribute the proceeds from the sale of such property to the Foundation. There was no activity in CSRA Foundation Property Holdings 2, Inc. during the years ended December 31, 2021 and 2020.

Basis of Presentation and Use of Estimates – The Foundation prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The consolidated financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The valuation of investments is particularly subject to change.

Support and Expenses – Contributions received are measured at their fair values and are reported as an increase in net assets. The Foundation reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

The Foundation reports gifts of goods and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting and reported on a functional basis within the consolidated statements of activities.

Net Asset Classifications – Georgia's enacted version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") imposes a duty on the Foundation to use good faith and prudent care in adopting investment and spending policies to preserve endowment assets while providing income and appreciation to meet the donors' intention in perpetuity.

Note 2—Summary of significant accounting policies (continued)

Net assets without donor restrictions are net assets available for general use and not subject to donor restrictions. Funds designated for donor-advised grants are available for distribution upon recommendation by the donor.

Net assets with donor restrictions are net assets that are contributions and endowment investment earnings subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met, either by actions of the Foundation and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The Foundation's governing documents and fund agreements give the Foundation's board variance power to modify donor instructions that are incapable of fulfillment or inconsistent with the charitable needs of the community. As a result of variance power, most contributions are classified as net assets without donor restrictions for consolidated financial statement purposes.

Consistent with the National Standards for U.S. Community Foundations, the Foundation classifies its net assets without donor restrictions (noting that all are subject to the aforementioned variance power) as follows:

Undesignated – Unrestricted, administrative, and other funds available for the Foundation's general use.

Donor Advised – Funds that have at least three characteristics: (1) a donor(s) or person(s) appointed or designated by the donor has, or reasonably expects to have, advisory privileges with respect to the fund's distributions; (2) the fund is separately identified by reference to contributions of the donor(s); and (3) the fund is owned and controlled by the Foundation or one of the Foundation's sponsoring organizations. A fund possessing these characteristics may be exempt from the donor advised fund classification if it grants to one single public charity or government unit or if the fund meets certain requirements applicable to scholarship funds.

Organization: Funds that are used for particular not-for-profit organizations.

Field-of-Interest – Funds that are used for a specific charitable purpose.

Scholarship – Donor advised funds that are to be used for various scholarships.

Board Designated – Funds designated by the board to provide seed funds in assisting in starting endowments for non-profit organizations.

Donated Services – Certain officers of the Foundation provide legal services free of charge. No amounts have been recorded for these services as management believes these amounts are immaterial to the Foundation's consolidated financial statements.

Cash and Cash Equivalents – The Foundation places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation covers $250,000 for substantially all depository accounts. The Foundation from time to time may have amounts on deposit in excess of the insured limits. As of December 31, 2021 and 2020, the Foundation had approximately $1,147,935 and $4,322,410, respectively, which exceeded these insured amounts.

Note 2—Summary of significant accounting policies (continued)

Investments – Investments in certificates of deposit, money market funds, and marketable securities with readily determinable fair values and all investments in debt securities are measured at fair value based on quoted market prices. If a quoted market price is not available, fair value is estimated using quoted market prices for similar investment securities. At December 31, 2021 and 2020, investments include $35,435,492 and $29,086,157, respectively, held for the benefit of other not-for-profit entities.

Property and Equipment – The Foundation capitalizes all expenditures for fixed assets acquisitions in excess of $100. Furniture, fixtures, and equipment are recorded at cost and are being depreciated using the straight-line method of depreciation over the following estimated useful lives:

Equipment and software	3 – 10 years
Office furniture and fixtures	3 – 10 years

Assets Held for Others – The Foundation accounts for its assets held for others in accordance with U.S. GAAP, under which assets held for others are required to be recorded as a liability on the Foundation's consolidated statements of financial position. Also, amounts received from or disbursed on behalf of others are not reported as revenues or expenses of the Foundation.

Paycheck Protection Program Loan – The Foundation has elected to use Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 470, *Debt*, ("debt model"), to record the loan received under the Paycheck Protection Program ("PPP"). Under the debt model, the PPP loan has been classified as long-term debt.

Tax Status – The Foundation is a nonprofit public charity exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). As a result, no provision for income taxes is reflected in the accompanying consolidated financial statements. The Foundation is not a private foundation as defined in Section 509 of the IRC.

The Foundation has evaluated the effect of U.S. GAAP guidance on Accounting for Uncertainty in Income Taxes. The Foundation is tax exempt under Section 501(c)(3) of the IRC. The Foundation is subject to federal income tax on unrelated business income. Management believes the Foundation continues to satisfy the requirements of a tax-exempt organization. Management has evaluated all other tax positions that could have a significant effect on the consolidated financial statements and determined the Foundation had no uncertain income tax positions at December 31, 2021 and 2020.

Future Pronouncements – In February 2016, FASB issued Accounting Standards Update ("ASU") 2016-02, *Leases*. The standard requires all leases with lease terms over 12 months to be capitalized as a right of use asset and lease liability on the balance sheet at the date of lease commencement. Leases will be classified as either finance or operating. This distinction will be relevant for the pattern of expense recognition in the consolidated statements of activities. This standard will be effective for the calendar year ending December 31, 2022. The Foundation is currently in the process of evaluating the impact of adoption of this ASU on the consolidated financial statements. See Note 7 for the Foundation's lease commitments.

Note 2—Summary of significant accounting policies (continued)

In September 2020, FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958) - Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The amendments in this ASU are intended to improve financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. This standard will be effective for the calendar year ending December 31, 2022. The Foundation is currently in the process of evaluating the impact of this ASU on the consolidated financial statements.

Note 3—Functional expenses

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated are allocated on the basis of estimates of time and effort.

The table below presents expenses by both their nature and function for the year ended December 31, 2021.

	Program Activities	Management and General	Fundraising	Total Expenses 2021
Charitable distributions	$ 8,542,570	$ -	$ -	$ 8,542,570
Salary and employee benefits	171,430	204,380	198,479	574,289
Professional fees and contract services	-	88,882	-	88,882
Dues and subscriptions	-	12,928	-	12,928
Payroll taxes	10,752	13,621	12,286	36,659
Repairs and maintenance	-	7,960	-	7,960
Training and conferences	8,424	-	160	8,584
Insurance	-	8,645	-	8,645
Marketing and web development	-	10,530	4,372	14,902
Rent	-	41,082	-	41,082
Office supplies	-	2,200	-	2,200
Printing	-	2,490	130	2,620
Janitorial	-	2,710	-	2,710
Depreciation	-	2,570	-	2,570
Postage	-	1,457	-	1,457
Professional development	1,488	5,801	2,085	9,374
Miscellaneous	1,715	1,037	-	2,752
Fees and licenses	-	170	-	170
Mileage reimbursement	2,126	507	209	2,842
Total expenses	$ 8,738,505	$ 406,970	$ 217,721	$ 9,363,196

Note 3—Functional expenses (continued)

The table below presents expenses by both their nature and function for the year ended December 31, 2020.

	Program Activities	Management and General	Fundraising	Total Expenses 2020
Charitable distributions	$ 7,531,857	$ -	$ -	$ 7,531,857
Salary and employee benefits	135,649	186,726	127,224	449,599
Professional fees and contract services	-	131,284	-	131,284
Dues and subscriptions	-	12,115	-	12,115
Payroll taxes	9,862	10,828	8,270	28,960
Repairs and maintenance	-	279	-	279
Training and conferences	1,221	-	-	1,221
Insurance	-	7,721	-	7,721
Marketing and web development	-	19,787	145	19,932
Rent	-	41,102	-	41,102
Office supplies	-	3,656	-	3,656
Printing	-	155	-	155
Janitorial	-	3,036	-	3,036
Depreciation	-	9,156	-	9,156
Postage	-	1,545	-	1,545
Professional development	658	2,054	549	3,261
Miscellaneous	4,224	12,661	-	16,885
Fees and licenses	-	162	-	162
Mileage reimbursement	243	-	-	243
Total expenses	$ 7,683,714	$ 442,267	$ 136,188	$ 8,262,169

Note 4—Liquidity and availability of resources

The Foundation's financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of the consolidated statements of financial position date are as follows:

	2021	2020
Cash and cash equivalents	$ 269,191	$ 795,118
Investments	5,440,988	4,399,340
	$ 5,710,179	$ 5,194,458

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing activities of management and general activities and fundraising to be general expenditures. As disclosed in Note 3, the Foundation's program activities expenses consist primarily of charitable distributions. The Foundation does not consider charitable distributions to be part of its general expenditures. To help manage unanticipated liquidity needs, the Foundation has a liquidity access line with an available amount of $10,000,000 at December 31, 2021 and 2020 which it could draw upon. See Note 16 for Foundation's liquidity access line.

Note 5—Investments

Investments carried at fair value consisted of the following at December 31:

	2021		2020	
Equity securities and equity funds	55%	$ 70,245,249	55%	$ 55,468,502
Fixed income investments	26%	32,912,236	26%	25,613,902
Alternative investments	14%	17,704,759	12%	11,772,518
Total securities		120,862,244		92,854,922
Certificates of deposit	0%	101,062	0%	308,458
Money market funds	5%	6,322,904	7%	7,028,259
Total certificates and money market funds		6,423,966		7,336,717
Total investments		$ 127,286,210		$ 100,191,639

Note 5—Investments (continued)

The following table summarizes the fair value measurements of certain alternative investments that calculate net asset value per share as of December 31, 2021:

	Fair Value	Redemption Frequency (If currently eligible)	Redemption Notice Period
Multi-strategy hedge fund [a]	$ 6,584,772	Annually - last day of each year or quarterly - last day of each quarter	100 days
Real estate fund [b]	3,937,526	Monthly	Second to last business day of the applicable month
Multi-strategy hedge fund [a]	3,885,807	Monthly or Quarterly	Range of 45 to 90 days
Total	$ 14,408,105		

There were no unfunded commitments related to the investments above that calculate net asset value as of December 31, 2021.

The following table summarizes the fair value measurements of certain alternative investments that calculate net asset value per share as of December 31, 2020:

	Fair Value	Redemption Frequency (If currently eligible)	Redemption Notice Period
Multi-strategy hedge fund [a]	$ 5,466,572	Annually - last day of each year or quarterly - last day of each quarter	100 days
Real estate fund [b]	3,055,678	Monthly	Second to last business day of the applicable month
Total	$ 8,522,250		

There were no unfunded commitments related to the investments above that calculate net asset value as of December 31, 2020.

Note 5—Investments (continued)

[(a)] *Multi-Strategy Hedge Funds* – This category employs a fund of hedge funds portfolio construction. The investment strategy attempts to achieve capital appreciation with limited volatility through an actively managed, opportunistic, multi-strategy portfolio of hedge fund investments. The fund uses a range of strategies including long/short equity, equity special situations, event-driven/distressed credit, asset backed securities, relative value, and global macro to diversify risk.

[(b)] *Real Estate Fund* – This category employs a fund of real estate funds portfolio construction. The investment strategy attempts to achieve capital appreciation through proactive investment and asset management and provide investments in commercial real estate with lower volatility than listed public real estate companies. The fund invests in primarily stabilized, income-generating commercial real estate in the United States. The fund invests in a range of asset types including multi-family, industrial, net leases, hotel, retail, and other assets, including storage properties. To a lesser extent, the fund also invests in real estate debt and other securities to provide current income and a source of liquidity for share repurchase plan, cash management, and other purposes.

The following schedule summarizes investment return in the consolidated statements of activities for the years ended December 31:

	2021	2020
Investment income	$ 1,753,133	$ 1,496,737
Investment income - note receivable	30,631	-
Realized gains	5,454,387	1,139,431
Unrealized gains	5,644,974	3,382,968
Less investment management expenses	(382,712)	(400,254)
Investment return, net	$ 12,500,413	$ 5,618,882

Note 6—Property and equipment

Property and equipment consisted of the following at December 31:

	2021	2020
Equipment and software	$ -	$ 19,068
Office furniture and fixtures	-	8,865
	-	27,933
Less accumulated depreciation	-	(25,363)
	$ -	$ 2,570

Note 7—Leases

The Foundation leases office space and equipment under various operating leases. The Foundation's lease for its office space ends on January 1, 2024. The equipment lease expires on February 28, 2023. As of December 31, 2021 and 2020, the office space lease agreement provides for monthly rent of $3,098. Total lease expense for the years ended December 31, 2021 and 2020, amounted to $40,894 and $40,954, respectively.

Future minimum lease payments for the Foundation's rental of office space and equipment as of December 31, 2021 were as follows:

Years Ending December 31,		
2022	$	38,290
2023		37,170
	$	75,460

Note 8—Fair value measurements of assets and liabilities

The Foundation has adopted the provision of FASB ASC 820, *Fair Value Measurements and Disclosures*, which requires fair value measurement be classified and disclosed in one of the following three categories:

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments which would generally be included in Level 1 include listed equity securities, mutual funds, and money market funds. As required by U.S. GAAP, the Foundation, to the extent that it holds such investments, does not adjust the quoted price for these investments, even in situations where the Foundation holds a large position and a sale could reasonably impact the quoted price.

Level 2 – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1; inputs include comparable market transactions, pricing of similar instruments, values reported by the administrator, and pricing expectations based on internal modeling. Fair value is determined through the use of models or other valuation methodologies. The types of investments which would generally be included in this category include publicly traded securities with restrictions on disposition, corporate obligations, and U.S. government and agency treasury inflation indices.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investments. The types of investments which would generally be included in this category include debt and equity securities issued by private entities and partnerships. The inputs into the determination of fair value require significant judgment or estimation. Inputs include recent transactions, earnings forecasts, market multiples, and future cash flows.

Note 8—Fair value measurements of assets and liabilities (continued)

The tables below summarize the valuation of the Foundation's financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2021 and 2020, based on the level of input utilized to measure fair value. Securities with measurement at fair value on a recurring basis:

	Fair Value Measurement at December 31, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments:				
Cash and equivalents:				
Certificates of deposit	$ -	$ 101,062	$ -	$ 101,062
Money markets	6,322,904	-	-	6,322,904
Total cash and equivalents	6,322,904	101,062	-	6,423,966
Equities:				
Common stocks, technology industry	16,123,875	-	-	16,123,875
Common stocks, consumer discretionary industry	3,354,157	-	-	3,354,157
Common stocks, financial industry	7,883,494	-	-	7,883,494
Common stocks, consumer goods industry	8,651,985	-	-	8,651,985
Common stocks, healthcare industry	8,972,167	-	-	8,972,167
Common stocks, other industries [(a)]	13,989,682	-	-	13,989,682
Mutual funds	3,971,535	-	-	3,971,535
ETF- Equity	7,298,354	-	-	7,298,354
Total equities	70,245,249	-	-	70,245,249
Fixed Income:				
Agency securities	-	344,497	-	344,497
Corporate bonds, other industries [(a)]	-	6,651,540	-	6,651,540
Government bonds	-	709,818	-	709,818
Mutual funds	21,621,381	-	-	21,621,381
Real estate trusts	3,585,000	-	-	3,585,000
Total fixed income	25,206,381	7,705,855	-	32,912,236
Alternative investments, master limited partnership funds	-	3,296,654	-	3,296,654
Alternative investments, hedge funds [(b)]	-	-	-	10,470,579
Alternative investments, real estate investment trust [(b)]	-	-	-	3,937,526
Total alternative investments	-	3,296,654	-	17,704,759
Total investments	$ 101,774,534	$ 11,103,571	$ -	$ 127,286,210

[(a)] The individual industries included in common stocks, other and corporate bonds, other represents less than 5% of total investments at December 31, 2021.

[(b)] In accordance with ASC Subtopic 820-10, certain investments that are measured at fair value using NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

Note 8—Fair value measurements of assets and liabilities (continued)

	Fair Value Measurement at December 31, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments:				
Cash and equivalents:				
Certificates of deposit	$ -	$ 308,458	$ -	$ 308,458
Money markets	7,028,259	-	-	7,028,259
Total cash and equivalents	7,028,259	308,458	-	7,336,717
Equities:				
Common stocks, technology industry	12,510,457	-	-	12,510,457
Common stocks, consumer discretionary industry	4,227,524	-	-	4,227,524
Common stocks, financial industry	6,249,508	-	-	6,249,508
Common stocks, consumer goods industry	5,731,773	-	-	5,731,773
Common stocks, healthcare industry	7,173,680	-	-	7,173,680
Common stocks, other industries (a)	11,666,919	-	-	11,666,919
Private equity investments	-	-	1,722,505	1,722,505
Mutual funds	16,573	-	-	16,573
ETF- Equity	6,169,563	-	-	6,169,563
Total equities	53,745,997	-	1,722,505	55,468,502
Fixed Income:				
Agency securities	-	881,577	-	881,577
Corporate bonds, other industries (a)	-	7,201,285	-	7,201,285
Government bonds	-	1,232,397	-	1,232,397
Mutual funds	13,618,743	-	-	13,618,743
Real estate trusts	2,679,900	-	-	2,679,900
Total fixed income	16,298,643	9,315,259	-	25,613,902
Alternative investments, master limited partnership funds	-	3,250,268	-	3,250,268
Alternative investments, hedge funds (b)	-	-	-	5,466,572
Alternative investments, real estate investment trust (b)	-	-	-	3,055,678
Total alternative investments	-	3,250,268	-	11,772,518
Total investments	$ 77,072,899	$ 12,873,985	$ 1,722,505	$ 100,191,639

(a) The individual industries included in common stocks, other and corporate bonds, other represents less than 5% of total investments at December 31, 2020.

(b) In accordance with ASC Subtopic 820-10, certain investments that are measured at fair value using NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

Note 8—Fair value measurements of assets and liabilities (continued)

All equities and fixed income assets have been valued using a market approach. There have been no changes in valuation techniques and related inputs.

Level 3 Measurements
The fair value for the Foundation's private equity investment has been valued using unadjusted third party quotations. The fair value for the Foundation's private equity investment is measured based on the arm's length sale of the Foundation's preferred stock assuming conversion of all preferred stock into common stock.

The table below presents information about recurring fair value measurements that use significant unobservable inputs (Level 3 measurements):

	Private Equity Investment
January 1, 2020	$ 1,033,245
Purchases, sales, settlements, and contributions:	
Contributions	689,260
December 31, 2020	1,722,505
Transfer out of Level 3	(2,746,548)
Total gains or losses for the year	1,024,043
December 31, 2021	$ -

In 2009, the Foundation received approximately $3,200,000 in property contributions. The contributions consisted of 46.13 acres of land located at Jennings Road, Augusta, Georgia and a 2/3 interest in the Regency shopping center which is located on Jennings Road. The Foundation sold approximately 43 acres of the land located on Jennings Road with an allocated cost basis of $525,818 during the year ended December 31, 2016. In connection with this sale, the Foundation received $100,000 during the year ended December 31, 2016, and will also receive a piece of land located at 1762 Lumpkin Road from the County Board of Education of Richmond County when the Brownfields Limitation of Liability letter is issued from the Environmental Protection Division. The fair market value of the land will be recognized when the Brownfields Limitation of Liability letter is received from the Environmental Protection Division. A loss of $425,818 was recognized during the year ended December 31, 2016 related to the sale of the Jennings Road property. During the year ended December 31, 2018, the Brownfields Limitation of Liability letter was received from the Environmental Protection Division and the fair market value of the Lumpkin Road property of $550,000 was recorded which also resulted in a gain. The gain of $550,000 was recorded as a gain of property held for investment in the consolidated statements of activities for 2018. During the year ended December 31, 2019, the Lumpkin Road property sold for approximately $511,835 which resulted in a loss. The loss of $38,165 was recorded as a loss of property held for investment in the consolidated statements of activities in 2019. There were no changes in property held for investment for the years ended December 31, 2021 and 2020.

Note 9—Other investments

During the year ended December 31, 2017, the Foundation became a member of Reading Mall, LLC (the "LLC"). The Foundation and a member of the Foundation's board are the two members of the LLC. The Foundation's board member is the managing member of the LLC. The Foundation does not have the ability to exhibit significant influence even though the Foundation is the sole recipient of the income distributed from the LLC, as it is not the managing member. Therefore, the Foundation's interest in the LLC is accounted for using the cost method. The fair value at the date contributed was used for the basis of the cost of the investment. At December 31, 2021 and 2020, total contributions of capital have been $-0-, and distributions from the LLC have been $-0-. At December 31, 2021 and 2020, the total cost and carrying amount of the Foundation's investment, was $14,600,000.

In connection with the contribution of this property, the Foundation entered into a management agreement with a management company owned by a board member.

Note 10—Endowment funds

The Foundation's endowment consists of approximately 96 individual funds established for a variety of purposes including endowment funds with donor restrictions (8), endowment funds without donor restrictions (22), funds held for the benefit of others (66), and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulation to the contrary. As a result of this interpretation, the Foundation retains 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) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. 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

Note 10—Endowment funds (continued)

Endowment net assets consisted of the following at December 31, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ 22,705,393	$ 3,007,996	$ 25,713,389
Board-designated endowment funds	50,000	-	50,000
Total endowed net assets	$ 22,755,393	$ 3,007,996	$ 25,763,389

Endowment net assets consisted of the following at December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ 19,540,085	$ 1,014,132	$ 20,554,217
Board-designated endowment funds	50,000	-	50,000
Total endowed net assets	$ 19,590,085	$ 1,014,132	$ 20,604,217

Changes in endowment net assets for the year ended December 31, 2021 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, January 1, 2021	$ 19,590,085	$ 1,014,132	$ 20,604,217
Transfer based on donor intent	(50,817)	-	(50,817)
Contributions	665,231	1,719,874	2,385,105
Investment return, net	2,713,598	296,509	3,010,107
Charitable distributions	(37,483)	(7,000)	(44,483)
Appropriation of endowment assets for expenditure	(125,221)	(15,519)	(140,740)
Endowment net assets, December 31, 2021	$ 22,755,393	$ 3,007,996	$ 25,763,389

Changes in endowment net assets for the year ended December 31, 2020 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, January 1, 2020	$ 15,925,335	$ 358,490	$ 16,283,825
Transfer based on donor intent	10,200	-	10,200
Contributions	2,489,863	540,560	3,030,423
Investment loss, net	1,616,493	114,669	1,731,162
Charitable distributions	(375,811)	(4,000)	(379,811)
Appropriation of endowment assets for expenditure	(75,995)	4,413	(71,582)
Endowment net assets, December 31, 2020	$ 19,590,085	$ 1,014,132	$ 20,604,217

Note 10—Endowment funds (continued)

Net assets with donor restrictions perpetual in nature that are held outside of the endowment were $369,050 and $174,966 at December 31, 2021 and 2020, respectively.

Funds with Deficiencies – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no deficiencies at December 31, 2021 and 2020.

Return Objectives and Risk Parameters – The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce investment returns of 8% or greater in the balanced pool and 1.5% or greater in the short-term bond pool. The following benchmark is used to evaluate the aggregate portfolio performance of the balanced pool: Stylized blend of 49% Russell 3000 Index, 10% HFRI Fund of Funds Index, 15.5% Barclays Capital Aggregate Bond Index, 10% Citi Non-US World Government Bond Index, 8% ACWI ex-US Index, 5% Barclay CTA Index, and 2.5% Barclay Corp High Yield Index. The Merrill Lynch 1-Year Treasury Index is used to evaluate the aggregate portfolio performance of the short-term bond pool.

Strategies Employed for Achieving Objectives – To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places emphasis on investments in domestic equity securities, international equity securities, fixed income securities, and alternative investments in order to achieve its long-term return objectives within prudent risk constraints. The target asset allocation parameters are 43% domestic equity securities, 17% international securities, 18% fixed income securities, and 22% alternative investments.

Spending Policy and How the Investment Objectives Relate to Spending Policy – The Foundation has a *Spending Rule Policy* of appropriating for distribution each year of unrestricted funds of not more than 4.5% of the annual December 31 market value of the unrestricted endowment funds averaged over the most recent three-year period. Accordingly, the Foundation expects the current spending policy to allow its endowment to maintain its purchasing power by growing at a rate equal to planned payouts. Additional real growth will be provided through new gifts and any excess investment return.

Note 11—Employee benefit plan

The Foundation contributes to a simplified employee pension plan on behalf of its employees. During the years ended December 31, 2021 and 2020, contributions to the plan totaled $40,386 and $31,873, respectively.

Note 12—Related party transactions

During the years ended December 31, 2021 and 2020, the Foundation received contributions from board members and their employers in the amount of approximately $1,805,910 and $468,000, respectively.

During the year ended December 31, 2009, the Foundation received a contribution of real property from board members in the amount of approximately $3,291,000. In connection with the contribution of this property, the Foundation entered into a management agreement with a management company owned by a board member. Management fees, including commissions for placing tenants, paid to the management company under this agreement were approximately $3,000 and $9,000 during the years ended December 31, 2021 and 2020, respectively.

The management agreement provides for reimbursement by the Foundation of any expenditure paid by the management company on behalf of the Foundation. Amounts due from the Foundation to the management company related to these expenses were approximately $11,000 and $10,000 at December 31, 2021 and 2020, respectively, and are included in other liabilities in the consolidated statements of financial position. There are no amounts due from the Foundation to board members related to these expenses at December 31, 2021 and 2020.

The management company receives rental income on behalf of the Foundation and pays expenses related to the real property on behalf of the Foundation. Rental income in excess of expenses is submitted to the Foundation periodically throughout the year. Cash received by the Foundation from the management company in excess of net income as of December 31, 2021 and 2020, totaled $185,404 and $194,090, respectively, and is classified as deferred rent revenue on the consolidated statements of financial position.

Note 13—Joint Venture

HUB Augusta Collaborative, Inc. (the “HUB”) is a nonprofit corporation formed under the laws of the state of Georgia on July 1, 2021 (date of inception) and classified by the Internal Revenue Service as tax exempt under Section 501(c)(3) of the Internal Revenue Code of 1986. The Organization commenced operations on July 1, 2021 and was organized exclusively for the benefit of, to perform the actions of, or to carry out the purposes of The Community Foundation for the Central Savannah River Area, Inc., Boys & Girls Clubs of Greater Augusta, Inc., and Medical College of Georgia Foundation, Incorporated (the “Supported Organizations”). The purpose of the Organization also includes making distributions to and for the benefit of the Supported Organizations and otherwise engaging in activities and transactions in furtherance of the purposes of the Supported Organizations.

Since inception, the HUB has begun construction on buildings with the purpose of catalyzing the revitalization in the historic Harrisburg and Laney Walker neighborhood. The project will house five non-for-profits in two adjacent buildings. The Community Foundation appoints three of nine board members of the HUB. The Foundation has determined under ASC 958-20, the transaction with the HUB do not qualify as a financially interrelated entity as the Foundation does not have ongoing economic interest in the net assets of the Organization.

During the year ended December 31, 2021, the Foundation loaned the HUB Augusta Investment Fund, LLC $14,321,000; the HUB investment fund used these proceeds and loaned funds to three community development entities, who then loaned funds to the HUB for building construction. The loan from the Foundation bears interest at 1.0% per annum with interest only payments due annually until maturity in October 2047. At December 31, 2021, the outstanding balance of note receivable was $14,321,000. Prior to inception, the Foundation granted $1,082,294 to the HUB to provide for the transaction costs and the initial capitalization to support its mission.

Note 14—Paycheck Protection Program loan

On April 10, 2020, the Foundation received loan proceeds of $76,800 under the PPP. The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expense of the qualifying business. The application for the PPP loan requires the Foundation to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operation of the Foundation. This certification further requires the Foundation to take into account its current business activity and its ability to access other sources of liquidity sufficient to support the ongoing operations in a manner that is not significantly detrimental to the business. The PPP loan and accrued interest are forgivable after 24 weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week period. There is no assurance that the Foundation's obligation under the PPP loan will be forgiven. If the PPP loan is not forgiven, the Foundation will need to repay the PPP loan over the applicable repayment period, commencing after the applicable deferral period.

The interest rate on the PPP loan is 1% per annum and no payments of principal and interest are due during the six-month period beginning on the date of the PPP loan ("Deferral Period"). Beginning one month following the expiration of the Deferral Period, and continuing monthly until 24 months from the date of the PPP loan, the Foundation is obligated to make monthly payments of principal and interest to the lender with respect to any unforgiven portion of the PPP loan. The Foundation is permitted to prepay the PPP loan at any time without penalty. See Note 15.

Note 15—Commitments

On January 30, 2020, the World Health Organization declared the coronavirus ("COVID-19") outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of COVID-19 include restrictions on travel, quarantines, or stay-at-home restrictions in certain areas and forced closures for certain types of public places and businesses. COVID-19 and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets globally, including the geographical areas in which the Foundation operates.

While it is unknown how long these conditions will last and what the complete financial impact will be, the Foundation is closely monitoring the impact of the COVID-19 pandemic on all aspects of the operations and are unable at this time to predict the continued impact that COVID-19 will have on its business, financial position, and operating results in future periods due to numerous uncertainties.

The Foundation received a PPP loan for an amount of $76,800, which was established under the CARES Act and administered by the Small Business Administration ("SBA"). The application for the PPP loan requires the Foundation to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operation of the Foundation. This certification further requires the Foundation to take into account its current business activity and its ability to access other sources of liquidity sufficient to support the ongoing operations in a manner that is not significantly detrimental to the business. The receipt of the funds from the PPP loan and the forgiveness of the PPP loan is dependent on the Foundation having initially qualified for the PPP loan and qualifying for the forgiveness of such PPP loan based on funds being used for certain expenditures such as payroll costs and rent, as required by the terms of the PPP loan. The Foundation applied for forgiveness with the SBA in which on April 7, 2021, the SBA had forgiven the PPP loan in full. As a result, the Foundation recognized $76,800 to government grant on the accompanying 2021 consolidated statement of activities.

Note 16—Liquidity access line

At December 31, 2021 and 2020, the Foundation had a liquidity access line with an available amount of $10,000,000 with an open maturity. The liquidity access line bears interest based on the weekly periodic rate plus 2.25%, which was 1.582% and 1.645% as of December 31, 2021 and 2020, respectively. The liquidity access line is collateralized by the Foundation's investments held with the financial institution. The liquidity access line did not have an outstanding balance at December 31, 2021 and 2020.

Note 17—Reclassification of net assets

The Foundation reclassified without donor restricted net assets as of January 1, 2020. This reclassification resulted in a decrease in undesignated net assets of $14,788,381, an increase of donor advised net assets of $5,674,150, an increase of field of interest net assets of $206,128, and an increase of scholarship net assets of $1,801,794. The Foundation added a new net asset classification called Organization which held $7,118,656 as of December 31, 2020.

Note 18—Subsequent events

The Foundation has evaluated subsequent events through May 18, 2022, which was the date the consolidated financial statements were available to be issued. As of this date, there were no material subsequent events that required recognition or additional disclosure in the consolidated financial statements.