RENAISSANCE CHARITABLE FOUNDATION, INC.

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

CPAs / ADVISORS

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RENAISSANCE CHARITABLE FOUNDATION, INC.

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Renaissance Charitable Foundation, Inc.
Indianapolis, Indiana

Opinion

We have audited the accompanying consolidated financial statements of Renaissance Charitable Foundation, Inc. (the "Foundation"), a nonprofit organization, and subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Foundation and its subsidiaries as of December 31, 2021 and 2020, and the changes in their net assets and their 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. 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 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 the 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 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 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 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 consolidated 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.

Blue & Co., LLC

Seymour, Indiana

September 15, 2022

RENAISSANCE CHARITABLE FOUNDATION, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

ASSETS

	2021	2020
Cash	$ 28,762,045	$ 30,750,424
Investments	3,039,752,344	1,772,010,326
Other assets	2,837,638	2,223,238
Beneficial interest in trusts	1,704,151	2,553,095
Total assets	$ 3,073,056,178	$ 1,807,537,083

LIABILITIES AND NET ASSETS

	2021	2020
Liabilities		
Accounts payable	$ 1,999,494	$ 1,329,550
Grants payable	8,865,574	8,144,198
Line of credit	184,683	184,683
Other payables	805,000	811,821
Total liabilities	11,854,751	10,470,252
Net assets		
Without donor restrictions	3,059,497,276	1,794,513,736
With donor restrictions	1,704,151	2,553,095
Total net assets	3,061,201,427	1,797,066,831
Total liabilities and net assets	$ 3,073,056,178	$ 1,807,537,083

See accompanying notes to financial statements.

RENAISSANCE CHARITABLE FOUNDATION, INC.

CONSOLIDATED STATEMENTS OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2020)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues, gains, and other support				
Contributions	$ 1,484,370,506	$ -0-	$ 1,484,370,506	$ 469,712,458
Investment return, net	199,214,998	-0-	199,214,998	110,573,085
Administrative fees	11,453,357	-0-	11,453,357	7,910,232
Change in value of split interest agreements	18,110	(848,944)	(830,834)	120,497
Total revenues, gains, and other support	1,695,056,971	(848,944)	1,694,208,027	588,316,272
Expenses				
Program services	418,915,874	-0-	418,915,874	391,008,399
Management and general	11,137,817	-0-	11,137,817	7,797,559
Fundraising	19,740	-0-	19,740	20,150
Total expenses	430,073,431	-0-	430,073,431	398,826,108
Change in net assets	1,264,983,540	(848,944)	1,264,134,596	189,490,164
Net assets, beginning of year	1,794,513,736	2,553,095	1,797,066,831	1,607,576,667
Net assets, end of year	$ 3,059,497,276	$ 1,704,151	$ 3,061,201,427	$ 1,797,066,831

See accompanying notes to financial statements.

RENAISSANCE CHARITABLE FOUNDATION, INC.

CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Contributions	$ 469,712,458	$ -0-	$ 469,712,458
Investment return, net	110,573,085	-0-	110,573,085
Administrative fees	7,910,232	-0-	7,910,232
Change in value of split interest agreements	(7,691)	128,188	120,497
Total revenues, gains, and other support	588,188,084	128,188	588,316,272
Expenses			
Program services	391,008,399	-0-	391,008,399
Management and general	7,797,559	-0-	7,797,559
Fundraising	20,150	-0-	20,150
Total expenses	398,826,108	-0-	398,826,108
Change in net assets	189,361,976	128,188	189,490,164
Net assets, beginning of year	1,605,151,760	2,424,907	1,607,576,667
Net assets, end of year	$ 1,794,513,736	$ 2,553,095	$ 1,797,066,831

See accompanying notes to financial statements.

RENAISSANCE CHARITABLE FOUNDATION, INC.

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021				2020			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Grants to charitable organizations	$ 418,915,874	$ -0-	$ -0-	$ 418,915,874	$ 391,008,399	$ -0-	$ -0-	$ 391,008,399
Administration expenses	-0-	10,880,690	-0-	10,880,690	-0-	7,514,718	-0-	7,514,718
Consulting expenses	-0-	44,500	-0-	44,500	-0-	105,959	-0-	105,959
Insurance premiums	-0-	143,355	-0-	143,355	-0-	133,377	-0-	133,377
Miscellaneous expenses	-0-	69,272	-0-	69,272	-0-	43,505	-0-	43,505
Fundraising expenses	-0-	-0-	19,740	19,740	-0-	-0-	20,150	20,150
Total expenses	$ 418,915,874	$ 11,137,817	$ 19,740	$ 430,073,431	$ 391,008,399	$ 7,797,559	$ 20,150	$ 398,826,108

See accompanying notes to financial statements.

RENAISSANCE CHARITABLE FOUNDATION, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating activities		
Change in net assets	$ 1,264,134,596	$ 189,490,164
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Reinvested interest and dividend income received on investments	(84,346,818)	(37,692,390)
Realized and unrealized gain on investments	(119,762,701)	(78,637,206)
Non-cash gifts	(827,274,455)	(279,634,860)
Changes in assets and liabilities:		
Other assets	(614,400)	273,242
Beneficial interest in trusts	848,944	(128,188)
Accounts payable	669,944	(197,576)
Grants payable	721,376	(4,956,351)
Other payables	(6,821)	442
Net cash flows from operating activities	234,369,665	(211,482,723)
Investing activities		
Purchases of investments	(1,214,865,214)	(421,902,353)
Proceeds on sale of investments	978,507,170	635,489,629
Net cash flows from investing activities	(236,358,044)	213,587,276
Net change in cash	(1,988,379)	2,104,553
Cash and cash equivalents, beginning of year	30,750,424	28,645,871
Cash and cash equivalents, end of year	$ 28,762,045	$ 30,750,424

See accompanying notes to financial statements.

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Renaissance Charitable Foundation, Inc. ("RCF") was formed in December 2000 pursuant to the provisions of the Indiana Corporation Act of 1991 and is exempt from federal taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") as an organization described in Sections 509(a)(1) and 170(b)(1)(A)(vi) of the IRC and a similar provision of state law. RCF is a public benefit corporation that operates exclusively to conduct, support, encourage and assist religious, charitable, educational and other programs and projects as are described in Sections 170(c)(2)(B), 501(c)(3), 2055(a)(2) and 2522(a)(2) of the IRC. RCF's revenues and other support are derived principally from contributions, investment return and administrative fees.

RCF offers a number of charitable giving programs, including donor-advised funds, charitable gift annuities and endowment funds. RCF markets its charitable programs to donors through the internet, financial advisors, attorneys, CPAs and other financial services professionals. In general, RCF offers donors the opportunity to make lifetime or testamentary gifts to RCF. In addition, RCF offers a private-labeled donor-advised fund program to financial services firms and nonprofits. The program is an integrated turnkey solution that assists financial services firms and nonprofits. RCF has a service agreement with Renaissance Acquisitions Company LLC ("Ren") (formerly Renaissance Philanthropic Solutions Group) to provide RCF with outsourced administrative support services for this program, including transaction processing and accounting, administration and reporting contributions to and distributions from individual donor accounts, customer service support, preparation and filing regulatory reports and tax returns, charitable planning support and other related services.

Principles of Consolidation

The consolidated financial statements include the accounts of RCF and the RCF's wholly-owned subsidiaries, generally referred to as Renaissance Special Gifts Foundation, LLC ("RSGF") and includes RSGF 18.

In September 2017, RCF created a new subsidiary, Renaissance Charitable Supporting Organization Trust ("RST"). RST is recognized by the Internal Revenue Service as a Type 1 Supporting Organization trust that is generally exempt from federal income taxes under Section 501(c)(3) of the IRC as an organization described in Sections 509(a)(3)(B)(i) and 170(b)(1)(A)(viii) of the IRC and similar provisions of state law. RST was created as a trust under South Dakota law. RCF created RST to facilitate and manage charitable gifts that are expected to generate unrelated business income.

These organizations are referred to collectively as the Subsidiaries and are included in these consolidated financial statements. The Subsidiaries were formed on various dates by RCF to accept gifts of real estate and other nonconforming assets. In 2021, RCF closed RSGF 14, RSGF 15, RSGF 16, and RSGF 17. In 2020, RCF closed RSGF 4, RSGF 7, RSGF 9, RSGF 10, RSGF 11, and RSGF 12.

All significant intercompany accounts and transactions have been eliminated in consolidation. The consolidated operations of RCF and the Subsidiaries are herein collectively referred to as the "Foundation."

Management's Estimates

Management uses estimates and assumptions in preparing consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported support, revenues and expenses. Actual results could vary from the estimates that were used.

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis, and have been prepared with a focus on the entity as a whole. Net assets, support, revenues, gains, and losses are classified based on the existence or absence of donor restrictions. Accordingly, the net assets of the Foundation are classified and reported as follows:

> *Net assets without donor restrictions:* Net assets that are currently available for operating purposes under the direction of the board of directors (the "Board") and are currently available to fund grants for any charitable purpose. In most cases, donors may recommend the Foundation make charitable grants from these assets.
>
> *Net assets with donor restrictions:* Net assets subject to charitable remainder trust agreements and charitable lead trust agreements and are expected to be available to the Foundation in future periods.

Investments and Investment Return

The Foundation carries its investments at fair value for financial reporting purposes. Changes in unrealized appreciation or depreciation of investments are reflected in the Consolidated Statements of Activities in the period in which such changes occur.

Interest and dividend income and net unrealized and realized gains and losses on investments are recognized as net assets with or without donor restrictions based upon the existence or absence of donor-imposed restrictions.

Support, Revenues and Expense Recognition

Contributions, which include unconditional promises to give (contributions receivable), are recognized as revenues in the period the contribution is received or the promise is made.

Support and revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions.

The Foundation has administrative fee agreements with the majority of its donor advised fund holders which is considered revenue derived from contracts for services performed. For sales of services, revenue is recognized in the accounting period in which the provided services are rendered to the fund holder. Generally, the transaction price in the contracted administrative fee agreements is known at inception and is allocated to the performance obligations based upon stand-alone selling prices of the promised services.

All other revenue is recorded when earned.

Significant Financing Component

The Foundation does not enter into contracts in which the period between transfer of services to the fund holder and payment by the fund holder is greater than one year. Therefore, the Foundation has elected a practical expedient in which consideration amounts are not adjusted for the time value of money.

Consolidated Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Consolidated Statements of Activities and Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. All expenses are recorded directly to both their natural and functional classification. Therefore, no allocation of expenses is necessary.

Income Taxes

The Foundation is organized as a not-for-profit corporation under Section 501(c)(3) of the IRC.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Foundation, and has concluded that as of December 31, 2021 and 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying consolidated financial statements. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

As such, the Foundation is generally exempt from income taxes. However, the Foundation is required to file Federal Form 990 – Return of Organization Exempt from Income Tax which is an informational return only. With the exception of RST, the activities of the RSGF subsidiaries are combined with the activities of the Foundation for tax purposes. RST files a separate return that is not consolidated with the Foundation and other supporting entities.

Subsequent Events

The Foundation has evaluated events or transactions occurring subsequent to the Consolidated Statement of Financial Position date for recognition and disclosure in the accompanying consolidated financial statements through the date the consolidated financial statements were available to be issued, which is September 15, 2022.

2. INVESTMENTS

Investments as of December 31, 2021 and 2020 consist of the following:

	2021	2020
Money market funds and cash equivalents	$ 407,843,324	$ 230,684,699
Equity securities	395,597,750	235,028,909
Fixed income securities	57,346,050	11,917,601
Mutual funds		
Equity funds	1,675,053,051	1,022,810,861
Fixed income funds	9,683	7,872
Other mutual funds	35,113,672	5,558,731
Common/collective trust funds	-0-	6,454,133
Alternative investments - hedge funds	150,650,480	133,950,329
Other	318,138,334	125,597,191
	$ 3,039,752,344	$ 1,772,010,326

3. RISK AND UNCERTAINTIES

The Foundation holds investments (Note 2). Such investments are exposed to various risks such as interest rate, market, liquidity, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying consolidated financial statements.

4. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

- Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

- *Money market funds and cash equivalents*: Generally transact subscription and redemption activity at a $1 stable net asset value (NAV); however, on a daily basis the funds are valued at their daily NAV calculated using the amortized cost of the securities held in the fund.

- *Equity securities*: Valued at the closing price reported on the active market on which the individual securities are traded except for those equity securities that are made up of municipal bonds and mortgage back securities which are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

- *Fixed income securities*: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

- *Mutual funds*: Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end and closed-end funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The funds held by the Foundation are deemed to be actively traded.

- *Common/collective trust funds:* Valued at the net asset value (NAV) of units of a collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Transactions (purchases and sales) may occur daily. Were the Foundation to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

- *Alternative investments – hedge funds*: Valued at the NAV of the units of the funds, as provided by the investment managers. The NAV is based on the fair value of the underlying investments held by the funds less their liabilities.

- *Other investments*: For other investments that are not publicly traded, the Foundation may use various inputs to determine fair value. Such inputs may include one, or a combination of, observable inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data market research publications. Other investments that do not have sufficient activity or liquidity include primarily interest in limited liability partnerships. In most instances, the values of the limited liability partnerships are estimated using the fair value of the investments held by the limited liability partnerships discounted at rates ranging between 0% and 75% for the lack of an active market on these limited liability partnerships.

- *Beneficial interest in trusts:* Fair value is determined by subtracting the present value of future payments to beneficiaries using published life expectancy tables, discount rates ranging from 1.26% to 1.90% and payout rates ranging from 5% to 6.6% from the fair value of the trust assets.

The following table sets forth by level, within the hierarchy, the Foundation's assets measured at fair value on a recurring basis as of December 31, 2021 and 2020:

	2021			
	Level 1	Level 2	Level 3	Total
Money market funds and cash equivalents	$ 407,843,324	$ -0-	$ -0-	$ 407,843,324
Equity securities	391,803,844	3,793,906	-0-	395,597,750
Fixed income securities	2,847,514	54,498,536	-0-	57,346,050
Mutual funds	1,680,229,576	29,946,830	-0-	1,710,176,406
Other	4,341,344	-0-	313,796,990	318,138,334
Beneficial interest in trusts	-0-	-0-	1,704,151	1,704,151
Total assets in the fair value hierarchy	2,487,065,602	88,239,272	315,501,141	2,890,806,015
Alternative investments - hedge funds*	-0-	-0-	-0-	150,650,480
Total assets at fair value	$ 2,487,065,602	$ 88,239,272	$ 315,501,141	$ 3,041,456,495

	2020			
	Level 1	Level 2	Level 3	Total
Money market funds and cash equivalents	$ 230,684,699	$ -0-	$ -0-	$ 230,684,699
Equity securities	231,513,277	3,515,632	-0-	235,028,909
Fixed income securities	1,361,052	10,556,549	-0-	11,917,601
Mutual funds	1,027,370,072	1,007,392	-0-	1,028,377,464
Other	24,016,270	-0-	101,580,921	125,597,191
Beneficial interest in trusts	-0-	-0-	2,553,095	2,553,095
Total assets in the fair value hierarchy	1,514,945,370	15,079,573	104,134,016	1,634,158,959
Common/collective trust funds*	-0-	-0-	-0-	6,454,133
Alternative investments - hedge funds*	-0-	-0-	-0-	133,950,329
Total assets at fair value	$ 1,514,945,370	$ 15,079,573	$ 104,134,016	$ 1,774,563,421

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) 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 line items presented at fair value in the consolidated statement of financial position.

A summary of common/collective trust funds, including balances and restrictions on redemption as of December 31, 2020 is as follows:

December 31, 2020	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Short-term cash	$ 6,454,133	None	Daily	Same day

These categories include common trust funds, unit investment trusts, and real estate investment trusts that are not actively traded on public exchanges. While these funds are similar in many respects to mutual funds, they impose limitations or restrictions on the ability to redeem shares. The corresponding fair values of the investments in these funds are estimated using the estimated fair values provided by the fund.

A summary of hedge funds, including balances and restrictions on redemption as of December 31, 2021 and 2020, is as follows:

December 31, 2021	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Hedge funds	$ 150,650,480	None	Semi-annually	30 days

December 31, 2020	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Hedge funds	$ 133,950,329	None	Semi-annually	30 days

These categories include investments that take both long and short positions across asset classes. Management of the funds has the ability to shift investments among differing investment strategies. The remaining restriction period for these investments was six months at December 31, 2021.

Due to the nature of the investments held by the hedge funds, changes in market conditions and the economic environment may significantly impact the net asset value of the hedge funds and, consequently, the fair value of the Foundation's interest in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the Foundation were to sell these investments in the secondary market, a buyer may require a discount to the reported net asset value, and the discount could be significant.

The progression of Level 3 investments during the years ended December 31, 2021 and 2020 is as follows:

	2021	2020
Beginning balance	$ 104,134,016	$ 106,418,075
Contributions received	258,709,990	42,984,920
Disbursements	(111,503,644)	(1,767,443)
Investment return, net	64,160,779	(43,501,536)
Ending balance	$ 315,501,141	$ 104,134,016

The primary, material portion of Level 3 investments represents investments in limited liability companies and limited partnerships.

The Foundation values the investments in good faith based on the available information, including independent pricing services, brokerage statements, investment manager reports, audited financial statements and subscription documents. Considerable judgement is required to evaluate the inputs used in the fair value measurement and classification into the fair value hierarchy. Accordingly, it is possible that different valuation models or alternative inputs could result in materially different fair value measurements and different levels within the fair value hierarchy. In instances where either a timing issue or lack of information may impact the valuation of an investment, the Foundation may apply a discount to reflect the related impact on valuation.

5. BENEFICIAL INTEREST IN TRUSTS

The Foundation is the beneficiary under charitable remainder trusts and charitable lead trusts administered by Ren. Under the terms of the charitable remainder trusts, the Foundation has the irrevocable right to receive a specified percentage of the remaining trust assets upon the death of the income beneficiaries or the end of a specified term of years. Under the terms of the charitable lead trusts, the Foundation receives an irrevocable annuity or unitrust amount at least annually for a qualified measuring life or a term of years. The interest in charitable remainder trusts and charitable lead trust of $1,704,151 and $2,553,095 at December 31, 2021 and 2020, respectively, represents the present value of the expected net cash proceeds ultimately payable to the Foundation and is considered to be a reasonable estimate of fair value. The discount range used by the Foundation to value its interest was 1.26% to 1.90% in 2021 and 0.48% to 1.31% in 2020. The date of termination of the trusts measured by a person's life was determined based on the applicable mortality tables required to be used by the IRS for charitable deduction purposes.

6. GRANTS PAYABLE

At December 31, 2021 and 2020, the Foundation had awarded, but not disbursed, $8,865,574 and $8,144,198, respectively, of grants to various recipients. The grants were paid subsequent to the end of the year.

7. LINE OF CREDIT

The Foundation has a secured revolving line of credit in the amount of $300,000, which is subject to renewal in November 2022, and carries a variable interest rate equal to prime but never to be less than 4.00%. The applicable interest rate at December 31, 2021, was 4.00%. The line of credit is secured by substantially all of the Foundation's assets. The Foundation had borrowings outstanding under this agreement of $184,683 at December 31, 2021 and 2020.

8. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2021 and 2020, comprise the following:

	2021	2020
Cash	$ 28,762,045	$ 30,750,424
Investments	2,615,329,640	1,670,429,405
Other assets	2,002,638	1,399,528
	$ 2,646,094,323	$ 1,702,579,357

The Foundation receives support without donor restrictions from the investment return on its investments and contributions. General expenditures include grant commitments made during the year and subsequent year, administrative and general expenses, and fundraising expenses.

The Foundation manages its cash available to meet general expenditures following certain principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets, and maintaining sufficient reserves to provide reasonable assurance for grant commitments supporting the mission fulfillment and sustainability of the Foundation. The Foundation also has the ability to borrow up to $300,000 as part of its line of credit agreement as discussed in Note 7.

9. RELATED PARTY TRANSACTIONS

The Foundation and Ren are related parties that are not financially interrelated organizations. The board of the Foundation includes two employees of Ren, and Ren provides certain administration services for the Foundation, which are outlined in an Administrative Services Agreement. In exchange for these services, the Foundation pays an administrative fee to Ren, which is based on 95% of the value of administrative fee revenue earned by the Foundation from individual fund holder accounts. Administrative fees paid to Ren for the years ended December 31, 2021 and 2020 were $10,880,690 and $7,514,718, respectively.

10. CONCENTRATIONS OF CREDIT RISK

The Foundation maintains its cash in bank deposit accounts insured by the Federal Deposit Insurance Corporation. The Foundation has not experienced any losses in such accounts. The Foundation believes it is not exposed to any significant credit risk on cash. Some bank deposit account balances exceed the Federal Deposit Insurance Corporation limits.

Investments and money market funds are managed by several investment firms. Such balances exceed the Securities Investor Protection Corporation insured limits of up to $500,000.