



Financial Statements

December 31, 2014

# The Community Foundation for the Capital Region, Inc.

Financial Statements

December 31, 2014

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## Independent Auditor's Report

Board of Directors  
The Community Foundation for the  
Greater Capital Region, Inc.  
Albany, New York

### Report on the Financial Statements

We have audited the accompanying financial statements of The Community Foundation for the Greater Capital Region, Inc. (a New York not-for-profit corporation), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Community Foundation for the Greater Capital Region, Inc. as of December 31, 2014, and the change in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

*Report on Summarized Comparative Information*

We have previously audited The Community Foundation for the Greater Capital Region, Inc., as of and for the year ended December 31, 2013, and we expressed an unmodified opinion on those statements in our report dated April 28, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information on pages 20 and 21 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

SaxBST LLP

Albany, New York  
May 6, 2015

# The Community Foundation for the Greater Capital Region, Inc.

## Statement of Financial Position

December 31, 2014  
(comparative totals for 2013)

	Managed for the Benefit of the Foundation	Managed on Behalf of Donors	2014 Totals	2013 Totals
<b>ASSETS</b>				
Cash	\$ 571	\$ 1,914,161	\$ 1,914,732	\$ 2,905,300
Investments	4,087,264	56,837,904	60,925,168	58,638,412
Promises of gifts	-	88,050	88,050	98,550
Contributions receivable from				
Charitable remainder trusts	-	28,685	28,685	28,817
Pooled income fund	-	29,675	29,675	49,667
Other receivables	5,489	870	6,359	3,789
Prepaid expenses	11,374	1,817	13,191	4,515
Property and equipment, net	13,143	-	13,143	15,635
Assets held in charitable remainder trusts	435,725	717,102	1,152,827	1,185,260
Assets reserved under charitable gift annuity agreements	610,997	-	610,997	668,351
Cash surrender value of life insurance	-	266,038	266,038	237,730
	<u>\$ 5,164,563</u>	<u>\$ 59,884,302</u>	<u>\$ 65,048,865</u>	<u>\$ 63,836,026</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 17,971	\$ 1,946	\$ 19,917	\$ 10,457
Grants payable	-	343,380	343,380	188,925
Liability under charitable remainder trust agreements	362,127	135,278	497,405	521,170
Liability under charitable gift annuity agreements	380,468	-	380,468	398,345
Funds held as Agency endowments	-	2,672,167	2,672,167	1,733,868
	<u>760,566</u>	<u>3,152,771</u>	<u>3,913,337</u>	<u>2,852,765</u>
<b>COMMITMENTS AND CONTINGENCIES</b>				
<b>NET ASSETS</b>				
Unrestricted				
Designated				
Board designated, donor-advised	-	26,927,951	26,927,951	26,614,622
Board designated, endowment funds	1,384,706	-	1,384,706	471,044
Undesignated	567,710	8,769,423	9,337,133	9,840,814
	<u>1,952,416</u>	<u>35,697,374</u>	<u>37,649,790</u>	<u>36,926,480</u>
Temporarily restricted	-	5,776,354	5,776,354	7,145,705
Permanently restricted	2,451,581	15,257,803	17,709,384	16,911,076
	<u>4,403,997</u>	<u>56,731,531</u>	<u>61,135,528</u>	<u>60,983,261</u>
	<u>\$ 5,164,563</u>	<u>\$ 59,884,302</u>	<u>65,048,865</u>	<u>\$ 63,836,026</u>

See accompanying Notes to Financial Statements

# The Community Foundation for the Greater Capital Region, Inc.

## Statement of Activities

Year Ended December 31, 2014  
(comparative totals for 2013)

	Unrestricted			Temporarily Restricted			Permanently Restricted			2014 Totals	2013 Totals
	Managed for the Benefit of the Foundation	Managed on Behalf of Donors	Total	Managed for the Benefit of the Foundation	Managed on Behalf of Donors	Total	Managed for the Benefit of the Foundation	Managed on Behalf of Donors	Total		
<b>REVENUES AND OTHER SUPPORT</b>											
Contributions	\$ 511,413	\$ 2,552,813	\$ 3,064,226	\$ -	\$ -	\$ -	\$ 134,112	\$ 643,395	\$ 777,507	\$ 3,841,733	\$ 2,735,131
Interest and dividends	56,509	2,236,526	2,293,035	-	177,980	177,980	-	-	-	2,471,015	2,237,393
Change in value of split-interest agreements	(39,098)	(7,419)	(46,517)	-	(7,989)	(7,989)	-	-	-	(54,506)	25,120
Management fees	503,096	(476,017)	27,079	-	-	-	-	-	-	27,079	23,312
Events	86,350	37,909	124,259	-	-	-	-	-	-	124,259	130,484
Grants	-	88,492	88,492	-	-	-	-	-	-	88,492	3,801
Other income	32,354	(32,354)	-	-	-	-	-	-	-	-	-
Net assets released from restrictions, satisfaction of restrictions	1,010,156	878,940	1,889,096	(1,010,156)	(899,741)	(1,909,897)	-	20,801	20,801	-	-
Total revenues and other support	2,160,780	5,278,890	7,439,670	(1,010,156)	(729,750)	(1,739,906)	134,112	664,196	798,308	6,498,072	5,155,241
<b>EXPENSES</b>											
Program services											
Programs and grants	557,949	3,553,708	4,111,657	-	-	-	-	-	-	4,111,657	4,611,524
Fund management	92,971	357,005	449,976	-	-	-	-	-	-	449,976	329,554
	650,920	3,910,713	4,561,633	-	-	-	-	-	-	4,561,633	4,941,078
Management and general	567,729	145,304	713,033	-	-	-	-	-	-	713,033	617,978
Development	159,500	18,403	177,903	-	-	-	-	-	-	177,903	111,422
Events	19,481	60,056	79,537	-	-	-	-	-	-	79,537	120,359
Total functional expenses	1,397,630	4,134,476	5,532,106	-	-	-	-	-	-	5,532,106	5,790,837
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<b>763,150</b>	<b>1,144,414</b>	<b>1,907,564</b>	<b>(1,010,156)</b>	<b>(729,750)</b>	<b>(1,739,906)</b>	<b>134,112</b>	<b>664,196</b>	<b>798,308</b>	<b>965,966</b>	<b>(635,596)</b>
Realized gains on investments, net	147,775	1,169,160	1,316,935	-	637,255	637,255	-	-	-	1,954,190	6,123,940
Unrealized (losses) on investments, net	(66,975)	(2,434,214)	(2,501,189)	-	(266,700)	(266,700)	-	-	-	(2,767,889)	(166,026)
<b>CHANGE IN NET ASSETS</b>	<b>843,950</b>	<b>(120,640)</b>	<b>723,310</b>	<b>(1,010,156)</b>	<b>(359,195)</b>	<b>(1,369,351)</b>	<b>134,112</b>	<b>664,196</b>	<b>798,308</b>	<b>152,267</b>	<b>5,322,318</b>
<b>NET ASSETS, beginning of year</b>	1,108,466	35,818,014	36,926,480	1,010,156	6,135,549	7,145,705	2,317,469	14,593,607	16,911,076	60,983,261	55,660,943
<b>NET ASSETS, end of year</b>	<b>\$ 1,952,416</b>	<b>\$ 35,697,374</b>	<b>\$ 37,649,790</b>	<b>\$ -</b>	<b>\$ 5,776,354</b>	<b>\$ 5,776,354</b>	<b>\$ 2,451,581</b>	<b>\$ 15,257,803</b>	<b>\$ 17,709,384</b>	<b>\$ 61,135,528</b>	<b>\$ 60,983,261</b>

# The Community Foundation for the Greater Capital Region, Inc.

## Statement of Functional Expenses

Year Ended December 31, 2014

(comparative totals for 2013)

	<u>Programs and Grants</u>	<u>Fund Management</u>	<u>Management and General</u>	<u>Development</u>	<u>Events</u>	<u>2014 Totals</u>	<u>2013 Totals</u>
Salaries and wages	\$ 159,809	\$ 48,487	\$ 193,899	\$ 112,280	\$ -	\$ 514,475	\$ 458,570
Payroll related costs	21,766	6,007	28,980	10,368	-	67,121	60,870
Accounting and legal	-	-	48,547	-	-	48,547	19,726
Advertising	-	-	-	8,617	-	8,617	14,663
Annual report	-	-	-	12,673	-	12,673	8,030
Bank and investment related fees	-	390,506	9,257	-	-	399,763	248,477
Board training	-	-	48,618	-	-	48,618	4,340
Depreciation	-	-	6,378	-	-	6,378	4,500
Equipment leases and maintenance	-	-	32,913	-	-	32,913	31,412
Events	-	-	-	-	60,056	60,056	88,705
Grants expense	3,795,177	-	-	-	-	3,795,177	4,384,491
Insurance	-	-	12,565	-	-	12,565	11,675
Meeting expense	2,180	-	16,316	-	13,992	32,488	39,773
Newsletters	-	-	-	7,231	-	7,231	7,924
Office supplies and expense	-	-	4,399	-	682	5,081	6,519
Pass-through grants	114,313	-	235,870	-	-	350,183	260,023
Postage	-	-	9,101	-	490	9,591	9,670
Printing	-	-	-	8,885	3,138	12,023	11,976
Professional services	2,476	141	17,193	328	-	20,138	44,603
Public relations and marketing	-	-	-	6,324	-	6,324	1,308
Professional development	-	-	9,845	-	-	9,845	6,636
Rent	12,380	3,756	15,021	8,698	-	39,855	39,855
Telephone and utilities	3,556	1,079	4,315	2,499	-	11,449	9,109
Travel	-	-	7,751	-	12	7,763	5,252
Web sites	-	-	1,670	-	-	1,670	2,652
Miscellaneous	-	-	10,395	-	1,167	11,562	10,078
	<u>\$ 4,111,657</u>	<u>\$ 449,976</u>	<u>\$ 713,033</u>	<u>\$ 177,903</u>	<u>\$ 79,537</u>	<u>\$ 5,532,106</u>	<u>\$ 5,790,837</u>

See accompanying Notes to Financial Statements

# The Community Foundation for the Greater Capital Region, Inc.

## Statement of Cash Flows

	Year Ended December 31, 2014 (comparative totals for 2013)	
	2014	2013
<b>CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Change in net assets	\$ 152,267	\$ 5,322,318
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	6,378	4,500
Contributions of investments	(3,090,986)	(455,411)
Realized gains on investments and assets reserved under charitable gift annuity agreement transactions, net	(1,954,190)	(6,123,940)
Unrealized losses on investments and assets reserved under charitable gift annuity agreements, net	2,767,483	166,026
Reinvested earnings	(1,922,302)	(1,637,601)
Contribution from charitable remainder trust	-	(56,139)
Change in value of split-interest agreements	54,506	(26,626)
Change in cash surrender value of life insurance	(28,308)	16,870
Change in funds held as Agency endowments	915,221	55,500
Decrease (increase) in		
Promises of gifts	10,500	10,500
Other receivables	(2,570)	1,431
Prepaid expenses	(8,676)	7,036
Increase (decrease) in		
Accounts payable and accrued expenses	9,460	(2,261)
Grants payable	154,455	(137,238)
	<b>(2,936,762)</b>	<b>(2,855,035)</b>
<b>CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	45,032,677	66,531,845
Purchases of investments	(43,039,006)	(62,337,408)
Proceeds from pooled income fund	20,801	-
Purchases of property and equipment	(3,886)	(6,251)
	<b>2,010,586</b>	<b>4,188,186</b>
<b>CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES</b>		
Charitable gift annuity payments	<b>(64,392)</b>	<b>(62,261)</b>
<b>Net increase (decrease) in cash</b>	<b>(990,568)</b>	<b>1,270,890</b>
<b>CASH, beginning of year</b>	<b>2,905,300</b>	<b>1,634,410</b>
<b>CASH, end of year</b>	<b>\$ 1,914,732</b>	<b>\$ 2,905,300</b>

See accompanying Notes to Financial Statements



# The Community Foundation for the Greater Capital Region, Inc.

Notes to Financial Statements  
December 31, 2014

## Note 1 - Organization and Summary of Significant Accounting Policies

### *a. Organization*

The Community Foundation for the Greater Capital Region, Inc. (Community Foundation) is a corporation organized under the Membership Corporation Laws of the State of New York.

The Community Foundation formed CFCR Real Property Transactions, LLC (Real Property) to hold title to, manage, operate, and maintain real property that is intended to be donated to the Community Foundation. All activities of Real Property are reported within the accompanying financial statements.

Included within the Community Foundation's financial statements are the activities of the William and Mary Barnet Foundation (Barnet Foundation), a supporting organization of the Community Foundation.

The Community Foundation's mission is to strengthen the community through philanthropy. The Foundation does this in collaboration with donors and community partners who share its vision for community transformation through stewardship of charitable endowments, superior donor services, effective grant making, and leadership to address community needs.

In achieving its mission, the Community Foundation:

- Serves over 400 separate charitable funds, working with donors to achieve their philanthropic goals. The Community Foundation presents the resources of this mission in these financial statements as "Managed on Behalf of Donors."
- Provides grants, technical assistance, and leadership to address community needs and provide for the long-term operations of the Community Foundation. The Community Foundation presents the resources of this mission in these financial statements as "Managed for the Benefit of the Foundation."

### *b. Basis of Accounting and Financial Statement Presentation*

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for not-for-profits entities.

### *c. Recognition of Donor Restrictions*

The net assets of the Community Foundation and changes therein are classified and reported as follows:

**Unrestricted Net Assets** are not subject to donor-imposed restrictions. Unrestricted net assets consist of both undesignated funds and Board designated funds. Board designated funds may be donor-advised or endowment funds. Undesignated funds reflect the net equity of the Community Foundation.

**Temporarily Restricted Net Assets** are subject to donor-imposed stipulations that will be met by the passage of time.

# The Community Foundation for the Greater Capital Region, Inc.

Notes to Financial Statements  
December 31, 2014

## Note 1 - Organization and Summary of Significant Accounting Policies - Continued

### *c. Recognition of Donor Restrictions - Continued*

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Community Foundation reports the support as unrestricted.

**Permanently Restricted Net Assets** are endowment funds restricted by donors to be maintained in perpetuity.

### *d. Estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

### *e. Fair Value Measurements*

The Community Foundation reports certain assets and liabilities at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (Note 12).

### *f. Investments*

The Community Foundation reports investments in marketable equity securities and debt securities at fair value with gains and losses on the statement of activities. Realized gains and losses on the sale of investments are determined on the specific identification method.

Management evaluates securities for other-than-temporary impairment at least on an annual basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near term prospects of the issuer, and (3) the intent and ability of the Community Foundation to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value. The Community Foundation determined that there were no other-than-temporary impairments as of December 31, 2014.

### *g. Promises of Gifts*

Unconditional promises of gifts that are expected to be collected within one year are recorded at net realizable value. Unconditional promises of gifts that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 1 - Organization and Summary of Significant Accounting Policies - Continued

#### *h. Property and Equipment, Net*

Property and equipment are reported at cost, net of accumulated depreciation. Expenditures for acquisitions, renewals, and betterments are capitalized, whereas maintenance and repair costs are expensed as incurred. When equipment is retired or otherwise disposed of, the appropriate accounts are relieved of costs and accumulated depreciation, and any resultant gain or loss is credited or charged to the change in net assets.

Donations of property and equipment are recorded as contributions at their estimated fair value. Absent donor stipulations regarding the length of time that donated assets must be maintained, the Community Foundation reports expirations of donor restrictions based on the assets' estimated useful lives. Accordingly, those donations are recorded as support increasing temporarily restricted net assets. The Community Foundation reclassifies temporarily restricted net assets to unrestricted net assets each year for the amount of the donated asset's depreciation expense.

Depreciation is provided for in amounts to relate the cost of depreciable assets to operations over their estimated useful lives on the straight-line method. The estimated life used in determining depreciation is three to five years.

#### *h. Funds Held as Agency Endowments*

The Community Foundation has established endowment funds for contributions from donors that are specified to be released to agencies/beneficiaries other than the Community Foundation. The Community Foundation has established a liability for the fair value of the funds, which is generally equivalent to the present value of the future payments to be made to the agencies/beneficiaries.

#### *i. Donated Goods and Services*

Quantifiable donated goods and skilled services are reported, based on estimated fair value, as both revenue and expense in the year contributed. There were no in-kind contributions for the year ended December 31, 2014.

A number of unpaid volunteers have made contributions of their time. The value of this contributed time is not reflected in these financial statements since it is not susceptible to objective measurement or evaluation.

#### *j. Functional Expenses*

Expenses are allocated after all attempts have been made to charge expenses directly to programs. Methodologies used for allocation include actual hours of service and ratio value.

#### *k. Tax Status*

The Community Foundation is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code (Code) and related New York State law and is exempt from income taxes. The Community Foundation has been classified as a publicly-supported organization that is not a private foundation under Section 509(a)(1) of the Code.

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 1 - Organization and Summary of Significant Accounting Policies - Continued

#### *l. Tax Status - Continued*

The Community Foundation files a Form 990 annually with the Internal Revenue Service. Management evaluated the Community Foundation's tax positions, including interest and penalties attributable thereto, and concluded that the Community Foundation had taken no tax positions that required adjustment in its financial statements as of December 31, 2014.

Forms 990 filed by the Community Foundation are subject to examination by the Internal Revenue Service. The Community Foundation is no longer subject to examination for the fiscal years ended December 31, 2010, and prior.

#### *m. Prior Year Summarized Financial Information*

The financial statements include prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Community Foundation's previously issued financial statements for the year ended December 31, 2013, from which the summarized information was derived.

#### *n. Reclassifications*

Certain reclassifications were made to the prior year amounts in order to conform to the current year presentation.

#### *o. Subsequent Events*

The Community Foundation has evaluated subsequent events for potential recognition or disclosure through May 6, 2015, the date the financial statements were available to be issued.

### Note 2 - Investments

A summary of the Community Foundation's investments is as follows:

	December 31, 2014			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Alternative investments	\$ 7,846,139	\$ 1,310,451	\$ (320,115)	\$ 8,836,475
Corporate stock	4,314,701	700,541	(195,253)	4,819,989
Mutual funds	45,917,228	2,513,554	(1,170,938)	47,259,844
Other Investments	8,860	-	-	8,860
	<u>\$ 58,086,928</u>	<u>\$ 4,524,546</u>	<u>\$ (1,686,306)</u>	<u>\$ 60,925,168</u>

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 3 - Promises of Gifts

A summary of promises of gifts to the Community Foundation is as follows:

	December 31, 2014
Amounts due in	
Less than one year	\$ 83,650
One to five years	4,400
	<u>\$ 88,050</u>

### Note 4 - Property and Equipment, Net

A summary of property and equipment, net, is as follows:

	December 31, 2014
Furniture and fixtures	\$ 178,421
Office equipment	37,442
	<u>215,863</u>
Less accumulated depreciation	<u>202,720</u>
Property and equipment, net	<u>\$ 13,143</u>

### Note 5 - Split-Interest Agreements

Split-interest agreements are trusts or other arrangements under which the Community Foundation receives benefits that are shared with other beneficiaries. The Community Foundation's split-interest agreements include charitable remainder trusts and charitable gift annuities. A summary of the Community Foundation's significant split-interest agreements is as follows:

#### a. Charitable Remainder Trusts

##### Assets Held in Charitable Remainder Trusts

A summary of assets held in charitable remainder trusts is as follows:

	December 31, 2014			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Market Value
Mutual funds	\$ 1,016,329	\$ 127,563	\$ (27,089)	\$ 1,116,803
Cash	36,024	-	-	36,024
	<u>\$ 1,052,353</u>	<u>\$ 127,563</u>	<u>\$ (27,089)</u>	<u>\$ 1,152,827</u>

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 5 - Split-Interest Agreements - Continued

#### a. Charitable Remainder Trusts - Continued

##### *Liabilities Under Charitable Remainder Trust Agreements*

The obligations, as trustee for each trust, are reported herein as liabilities under charitable remainder trust agreements. The obligations are estimated at the time of the agreements (unitrust or annuity trust) based on the average life expectancies of the beneficiaries and the expected rate of return on invested assets. Any excess amount of the gift over the estimated liability is recorded as a temporarily restricted net asset. The obligations are subject to adjustments and reflect amortization of any discount, reevaluation of the present value of estimated future payments, and any change in actuarial assumptions. These adjustments, if any, are recorded in the statement of activities as a change in value of split-interest agreements. The assumptions used in computing the liabilities under charitable remainder trust agreements include discount rates ranging from 5% to 9.4% and life expectancies based on published single and multiple life expectancy tables.

#### b. Charitable Gift Annuity Agreements

Under New York State Insurance Law, the Community Foundation is required to maintain qualified reserves reported herein as assets reserved under charitable gift annuity agreements. As of December 31, 2014, the Community Foundation maintained a segregated reserve of \$610,997, as reflected in the accompanying statement of financial position, which is in excess of the minimum required reserve of \$481,291.

The obligations under the agreements are reported herein as liabilities under charitable gift annuity agreements. The obligations are estimated at the time of the agreement based on the present value of future cash flows expected to be paid to the donors. The obligations are subject to adjustments to reflect amortization of any discount and changes in the life expectancies of the donors. The assumptions used in computing the liabilities under charitable gift annuity agreements include discount rates ranging from 1.4% to 6.2% and life expectancies based on published single and multiple life expectancy tables.

### Note 6 - Funds Held As Agency Endowments

A summary of the Community Foundation's agency endowment funds is as follows:

Agency Endowment Funds, December 31, 2013	\$ 1,733,868
Amounts raised	1,003,917
Interest and dividends	18,675
Realized investment gains, net	67,804
Unrealized investment loss, net	(44,726)
Fees	(33,044)
Grants to public charities	(74,327)
	<hr/>
Agency Endowment Fund balances, December 31, 2014	<u><u>\$ 2,672,167</u></u>

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 7 - Net Assets

A summary of unrestricted, undesignated net assets available is as follows:

	December 31, 2014
Pass-through grants	\$ 341,279
Unrestricted donor gifts	8,501,742
Operating fund	494,112
	<u>\$ 9,337,133</u>

Temporarily restricted net assets are restricted for use as governed by the particular fund. Temporarily restricted net assets are categorized as follows:

	December 31, 2014
Time restrictions	
Endowment funds	\$ 4,974,522
Charitable remainder trusts	684,107
Community Sponsor pledges	88,050
Pooled Income Fund receivable	29,675
	<u>\$ 5,776,354</u>

### Note 8 - Endowment

The Community Foundation's endowment consists of various investments overseen by the Investment Committee of the Board of Directors. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by U.S. GAAP, 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.

#### Relevant Law

The Board of Directors of the Community Foundation has interpreted the New York State Not-For-Profit Corporation Law (NPCL). The interpretation views NPCL 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 stipulations to the contrary. As a result of this interpretation, the Community Foundation classifies as permanently restricted net assets (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. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard procedures prescribed in NPCL Article 5-A.

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 8 - Endowment - Continued

#### Relevant Law - Continued

The Community 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 Community 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 organization;
7. Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the organization, and
8. The investment policies of the organization.

Endowment net asset composition by type of fund:

	December 31, 2014			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor-restricted endowment funds	\$ -	\$ 4,974,522	\$ 17,709,384	\$ 22,683,906
Board-designated endowment funds	1,384,706	-	-	1,384,706
Total funds	<u>\$ 1,384,706</u>	<u>\$ 4,974,522</u>	<u>\$ 17,709,384</u>	<u>\$ 24,068,612</u>

Changes in endowment net assets:

	December 31, 2014			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, <i>beginning of year, as restricted</i>	\$ 471,044	\$ 6,376,442	\$ 16,911,076	\$ 23,758,562
Investment return				
Interest and dividends	34,714	177,980	-	212,694
Net gain, realized	121,595	637,255	-	758,850
Fees to managers	(152,053)	-	-	(152,053)
Net loss, unrealized	(51,348)	(266,700)	-	(318,048)
Total investment return	<u>(47,092)</u>	<u>548,535</u>	<u>-</u>	<u>501,443</u>
Contributions	-	-	777,507	777,507
Withdrawals	(989,701)	-	-	(989,701)
Transfers to other funds	1,950,455	(1,950,455)	20,801	20,801
Endowment net assets, <i>end of year</i>	<u>\$ 1,384,706</u>	<u>\$ 4,974,522</u>	<u>\$ 17,709,384</u>	<u>\$ 24,068,612</u>



# The Community Foundation for the Greater Capital Region, Inc.

Notes to Financial Statements  
December 31, 2014

## Note 8 - Endowment - Continued

### 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 requires the Community Foundation to retain it as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature would be reported in unrestricted net assets. There were no funds with deficiencies at December 31, 2014.

### Return Objectives and Risk Parameters

The Community 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 Community Foundation must hold in perpetuity or for a donor-specified period(s) 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 obtain a real rate of return on plan assets so that plan assets both grow in value at a rate that exceeds the rate of inflation over the long-term and that limits yearly volatility to acceptable levels as reviewed and determined by the Investment Committee.

### Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Community 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 Community Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

### Spending Policy and How the Investment Objectives Relate to Spending Policy

The Community Foundation has approved a spending policy which calculates a percentage (currently 4%) of the average value of the fund, including income, realized and unrealized appreciation and, in some cases, principal over the past 16 quarters. During 2015, the Community Foundation's calculation of average fund value will be computed over the past 20 quarters.

## Note 9 - Defined Contribution Plan

The Community Foundation offers a 403(b) tax deferred annuity plan to its employees. The Community Foundation matches employee contributions in the amount of 25% of every dollar contributed by the employee, with a maximum of 10% of each employee's salary. For the year ended December 31, 2014, the Community Foundation's match was \$3,926.

## Note 10 - Commitments and Contingencies

### *Operating Leases*

The Community Foundation's office is leased under a noncancelable operating lease. The lease calls for monthly payments ranging from \$3,321 to \$3,764, and expires in January 2016. The Community Foundation is also required to pay, as additional rent, its pro rata share of the increases in the lessor's operating expenses, computed on an annual basis.

The Community Foundation also rents office equipment under an operating lease that calls for quarterly payments of \$285 through March 2016 and monthly payments of \$376 through June 2016.

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 10 - Commitments and Contingencies - Continued

#### *Operating Leases - Continued*

A summary of the Community Foundation's future minimum rental commitments under these leases is as follows:

For the year ending December 31,	
2015	\$ 50,813
2016	<u>2,537</u>
	<u>\$ 53,350</u>

### Note 11 - Risks and Uncertainties

#### *a. Fair Value of Investments*

The Community Foundation invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

#### *b. Concentrations of Credit Risk - Cash*

The Community Foundation maintains operating cash balances at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times, the Community Foundation has bank deposits in excess of the amounts insured by the FDIC. Cash related to investments held by custodians is separately insured by these custodians.

### Note 12 - Fair Value of Financial Instruments

The framework for measuring fair value includes 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 following three levels of inputs that may be used to measure fair value:

- Level 1 Unadjusted quoted market prices in active markets for identical assets or liabilities.
- Level 2 Observable inputs other than quoted market prices and can include active markets and markets not considered to be active.
- Level 3 Unobservable inputs that are supported by little or no market activity.

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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 12 - Fair Value of Financial Instruments - Continued

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2014.

Cash Held for Investment: The carrying amounts approximate fair value because of the short maturity of these instruments.

Common Stock: Valued at the closing price reported on the active market on which the individual security is traded.

Mutual Funds: Valued at net asset value (NAV) reported by the fund at year end.

Fixed Income: Valued based on observable prices for the particular security or when prices are not observable, the valuation is based on prices of the comparable bonds or the present value of the expected future cash flows.

Alternative Investments: Hedge funds are valued at the net asset value per share.

Limited Partnership Interest and Other Investments: Fair value is determined by the Community Foundation's reported interest in the limited partnership's capital.

Liabilities Under Charitable Gift Annuities and Charitable Remainder Trusts: Fair value is equivalent to the present value of the future payments to be made based on the average life expectancies of the beneficiaries and the expected rate of return on the invested assets.

Funds Held as Agency Endowments: Fair value is based on the fair market value of the associated investments held within the funds.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Community Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

A summary of assets and liabilities measured at fair value on a recurring basis follows:

	December 31, 2014			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Investments				
Mutual funds				
Capital preservation	\$ 8,064	\$ -	\$ -	\$ 8,064
Emerging markets fund	4,860,946	-	-	4,860,946
Fixed income funds	9,028,324	-	-	9,028,324
International	2,651,310	-	-	2,651,310
Large cap blend	14,089,546	-	-	14,089,546
Large cap equity	4,072	-	-	4,072
Large cap growth	15,393	-	-	15,393
Mid-cap value	3,057,285	-	-	3,057,285
International equity	11,754,795	-	-	11,754,795
Small-mid cap select	1,790,108	-	-	1,790,108
Common stocks				
Basic materials	388,843	-	-	388,843
Consumer good	777,115	-	-	777,115
Energy resources	54,508	-	-	54,508
Financial	1,447,908	-	-	1,447,908
Healthcare	554,031	-	-	554,031
Industrial	628,370	-	-	628,370
Technology	792,063	-	-	792,063
Utilities	177,151	-	-	177,151

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 12 - Fair Value of Financial Instruments - Continued

	Level 1	Level 2	Level 3	Total
Assets held in charitable remainder trusts				
Cash held for investment	36,023	-	-	36,023
Mutual funds				
Equity, large-cap	182,678	-	-	182,678
Equity, mid-cap	70,253	-	-	70,253
Equity, small-cap	44,687	-	-	44,687
International development	72,597	-	-	72,597
Emerging markets	43,004	-	-	43,004
Fixed income, investment grade	120,976	-	-	120,976
Fixed income, global high yield	94,988	-	-	94,988
Fixed income, international developed bonds	7,173	-	-	7,173
Real estate, public REIT	36,993	-	-	36,993
Commodities	34,750	-	-	34,750
Hedge funds specific strategy	87,145	-	-	87,145
Large blend	61,775	-	-	61,775
Equity energy	47,100	-	-	47,100
Small value	64,256	-	-	64,256
Small blend	54,063	-	-	54,063
Gold related	57,589	-	-	57,589
Industrial	36,777	-	-	36,777
Assets reserved under charitable gift annuity agreements				
Mutual funds				
Blend	93,550	-	-	93,550
Fixed income	164,687	-	-	164,687
International	122,231	-	-	122,231
Mid-cap	70,871	-	-	70,871
Emerging markets	58,231	-	-	58,231
Small cap	39,494	-	-	39,494
Commodities	27,693	-	-	27,693
Common stocks				
Consumer goods	13,501	-	-	13,501
Financial	4,472	-	-	4,472
Industrial	5,119	-	-	5,119
Technology	11,149	-	-	11,149
Alternative investments	-	-	7,210,586	7,210,586
Limited partnership interest	-	-	1,625,889	1,625,889
Other investments	-	-	8,860	8,860
	<u>\$ 53,843,657</u>	<u>\$ -</u>	<u>\$ 8,845,335</u>	<u>\$ 62,688,992</u>
December 31, 2014				
	Level 1	Level 2	Level 3	Total
Liabilities				
Liability under charitable remainder trust agreements	\$ -	\$ -	\$ 497,405	\$ 497,405
Liability under charitable gift annuity agreements	-	-	380,468	380,468
Funds held as Agency endowments	2,672,167	-	-	2,672,167
	<u>\$ 2,672,167</u>	<u>\$ -</u>	<u>\$ 877,873</u>	<u>\$ 3,550,040</u>

# The Community Foundation for the Greater Capital Region, Inc.

## Notes to Financial Statements December 31, 2014

### Note 12 - Fair Value of Financial Instruments - Continued

The following represents a summary of changes in the fair value of assets and liabilities using unobservable Level 3 inputs:

	December 31, 2014			
	Hedge Funds	Limited Partnership Interest	Other Investments	Total
<b>Assets</b>				
Balance, beginning of year	\$ 6,017,280	\$ 946,190	\$ 9,472	\$ 6,972,942
Contributions	4,204,016	511,575	-	4,715,591
Net gains				
Unrealized	(210,710)	168,124	-	(42,586)
Settlements	(2,800,000)	-	(612)	(2,800,612)
Balance, end of year	<u>\$ 7,210,586</u>	<u>\$ 1,625,889</u>	<u>\$ 8,860</u>	<u>\$ 8,845,335</u>
<b>Liabilities under Charitable</b>				
	Remainder Trusts Agreements	Gift Annuity Agreements	Total	
<b>Liabilities</b>				
Balance, beginning of year	\$ 521,170	\$ 398,245	\$ 919,415	
Change in actuarial assumptions	23,021	48,711	71,732	
Payments	(46,786)	(66,488)	(113,274)	
	<u>\$ 497,405</u>	<u>\$ 380,468</u>	<u>\$ 877,873</u>	

The following table summarizes investments measured at fair value based on NAV per share:

	Fair Value	Unfunded Commitments	Redemption Frequency	Available	Notice Period
Multi Strategy Hedge Fund	\$ 2,152,333	\$ -	Quarterly	60 days after written notice	N/A
Multi Strategy Hedge Fund	1,830,800	-	Annually	January 31, 2016	45 Days
Long-Short Hedge Funds	3,227,453	-	Every 3 years	June 30, 2016	60 Days
Investment in Limited Partnership	1,507,401	517,250	None	N/A	N/A
Investment in Limited Partnership	118,488	781,512	None	N/A	N/A
Other investments	8,860	-	None	N/A	N/A
	<u>\$ 8,845,335</u>	<u>\$ 1,298,762</u>			

# The Community Foundation for the Greater Capital Region, Inc.

## Supplementary Information Statement of Financial Position - Managed for the Benefit of the Foundation

December 31, 2014

	<u>The Community Foundation for the Greater Capital Region, Inc.</u>	<u>Community Impact Fund</u>	<u>Judith N. Lyons Administrative Endowment</u>	<u>Other Endowments</u>	<u>Total</u>
<b>ASSETS</b>					
Cash	\$ -	\$ 571	\$ -	\$ -	\$ 571
Investments	251,678	768,765	1,813,713	1,253,108	4,087,264
Other receivables	5,359	-	130	-	5,489
Prepaid expenses	11,374	-	-	-	11,374
Property and equipment, net	13,143	-	-	-	13,143
Assets held in charitable remainder trusts	435,725	-	-	-	435,725
Assets reserved under charitable gift annuity agreements	610,997	-	-	-	610,997
<b>Total assets</b>	<b><u>\$ 1,328,276</u></b>	<b><u>\$ 769,336</u></b>	<b><u>\$ 1,813,843</u></b>	<b><u>\$ 1,253,108</u></b>	<b><u>\$ 5,164,563</u></b>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 17,971	\$ -	\$ -	\$ -	\$ 17,971
Liability under charitable remainder trust agreements	362,127	-	-	-	362,127
Liability under charitable gift annuity agreements	380,468	-	-	-	380,468
	<u>760,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>760,566</u>
<b>COMMITMENTS AND CONTINGENCIES</b>					
<b>NET ASSETS</b>					
Unrestricted					
Designated					
Board designated, endowment funds	-	(2,116)	642,696	744,126	1,384,706
Undesignated	567,710	-	-	-	567,710
	<u>567,710</u>	<u>(2,116)</u>	<u>642,696</u>	<u>744,126</u>	<u>1,952,416</u>
Temporarily restricted	-	-	-	-	-
Permanently restricted	-	771,452	1,171,147	508,982	2,451,581
	<u>567,710</u>	<u>769,336</u>	<u>1,813,843</u>	<u>1,253,108</u>	<u>4,403,997</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 1,328,276</u></b>	<b><u>\$ 769,336</u></b>	<b><u>\$ 1,813,843</u></b>	<b><u>\$ 1,253,108</u></b>	<b><u>\$ 5,164,563</u></b>

December 31, 2013

	The Community Foundation for the Greater Capital Region, Inc.	Community Impact Fund	Judith N. Lyons Administrative Endowment	Other Endowments	Total
<b>ASSETS</b>					
Investments	\$ 281,704	\$ 780,713	\$ 1,833,963	\$ 1,183,863	\$ 4,080,243
Other receivables	2,789	-	130	-	2,919
Prepaid expenses	2,899	-	-	-	2,899
Property and equipment, net	15,635	-	-	-	15,635
Assets held in charitable remainder trusts	454,217	-	-	-	454,217
Assets reserved under charitable gift annuity agreements	668,351	-	-	-	668,351
<b>Total assets</b>	<b><u>\$ 1,425,595</u></b>	<b><u>\$ 780,713</u></b>	<b><u>\$ 1,834,093</u></b>	<b><u>\$ 1,183,863</u></b>	<b><u>\$ 5,224,264</u></b>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 8,831	\$ -	\$ -	\$ -	\$ 8,831
Liability under charitable remainder trust agreements	380,997	-	-	-	380,997
Liability under charitable gift annuity agreements	398,345	-	-	-	398,345
	<u>788,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>788,173</u>
<b>COMMITMENTS AND CONTINGENCIES</b>					
<b>NET ASSETS</b>					
Unrestricted					
Designated					
Board designated, endowment funds	-	(185,339)	113,702	542,681	471,044
Undesignated	637,422	-	-	-	637,422
	<u>637,422</u>	<u>(185,339)</u>	<u>113,702</u>	<u>542,681</u>	<u>1,108,466</u>
Temporarily restricted	-	221,052	556,844	232,260	1,010,156
Permanently restricted	-	745,000	1,163,547	408,922	2,317,469
	<u>637,422</u>	<u>780,713</u>	<u>1,834,093</u>	<u>1,183,863</u>	<u>4,436,091</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 1,425,595</u></b>	<b><u>\$ 780,713</u></b>	<b><u>\$ 1,834,093</u></b>	<b><u>\$ 1,183,863</u></b>	<b><u>\$ 5,224,264</u></b>

See Independent Auditor's Report.

# The Community Foundation for the Greater Capital Region, Inc.

## Supplementary Information Statement of Activities - Managed for the Benefit of the Foundation

Year Ended December 31, 2014

	<b>The Community Foundation for the Greater Capital Region, Inc.</b>	<b>Community Impact Fund</b>	<b>Judith N. Lyons Administrative Endowment</b>	<b>Other Endowments</b>	<b>Total</b>
<b>REVENUES AND OTHER SUPPORT</b>					
Contributions	\$ 511,413	\$ -	\$ -	\$ -	\$ 511,413
Interest and dividends	21,795	6,903	16,584	11,227	56,509
Change in value of split-interest agreements	(39,098)	-	-	-	(39,098)
Management fees	503,096	-	-	-	503,096
Events	86,350	-	-	-	86,350
Other income	32,354	-	-	-	32,354
Net assets released from restriction, satisfaction of restrictions	-	221,052	556,844	232,260	1,010,156
Total revenues and other support	<u>1,115,910</u>	<u>227,955</u>	<u>573,428</u>	<u>243,487</u>	<u>2,160,780</u>
<b>EXPENSES</b>					
Program services					
Programs and grants	401,795	46,798	67,401	41,955	557,949
Fund management	47,670	12,523	11,869	20,909	92,971
	<u>449,465</u>	<u>59,321</u>	<u>79,270</u>	<u>62,864</u>	<u>650,920</u>
Management and general	567,729	-	-	-	567,729
Development	159,500	-	-	-	159,500
Events	19,481	-	-	-	19,481
Total expenses	<u>1,196,175</u>	<u>59,321</u>	<u>79,270</u>	<u>62,864</u>	<u>1,397,630</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<b>(80,265)</b>	<b>168,634</b>	<b>494,158</b>	<b>180,623</b>	<b>763,150</b>
Realized gains on investments, net	26,180	24,780	58,797	38,018	147,775
Unrealized (losses) on investments, net	(15,627)	(10,191)	(23,961)	(17,196)	(66,975)
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b>(69,712)</b>	<b>183,223</b>	<b>528,994</b>	<b>201,445</b>	<b>843,950</b>
<b>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</b>					
Net assets released from restriction, satisfaction of restrictions	-	(221,052)	(556,844)	(232,260)	(1,010,156)
<b>CHANGE IN PERMANENTLY RESTRICTED NET ASSETS</b>					
Contributions	-	26,452	7,600	100,060	134,112
<b>CHANGE IN NET ASSETS</b>	<b>(69,712)</b>	<b>(11,377)</b>	<b>(20,250)</b>	<b>69,245</b>	<b>(32,094)</b>
<b>NET ASSETS, beginning of year</b>	<u>637,422</u>	<u>780,713</u>	<u>1,834,093</u>	<u>1,183,863</u>	<u>4,436,091</u>
<b>NET ASSETS, end of year</b>	<u><b>\$ 567,710</b></u>	<u><b>\$ 769,336</b></u>	<u><b>\$ 1,813,843</b></u>	<u><b>\$ 1,253,108</b></u>	<u><b>\$ 4,403,997</b></u>



**Year Ended December 31, 2013**

	<b>The Community Foundation for the Greater Capital Region, Inc.</b>	<b>Community Impact Fund</b>	<b>Judith N. Lyons Administrative Endowment</b>	<b>Other Endowments</b>	<b>Total</b>
<b>REVENUES AND OTHER SUPPORT</b>					
Contributions	\$ 194,280	\$ -	\$ -	\$ -	\$ 194,280
Interest and dividends	19,753	9,270	22,048	14,368	65,439
Change in value of split-interest agreements	89,276	-	-	-	89,276
Management fees	463,194	-	-	-	463,194
Events	60,900	-	-	-	60,900
Other income	43,851	-	-	-	43,851
Total revenues and other support	<u>871,254</u>	<u>9,270</u>	<u>22,048</u>	<u>14,368</u>	<u>916,940</u>
<b>EXPENSES</b>					
Program services					
Programs and grants	88,868	10,593	65,106	43,972	208,539
Fund management	38,338	25,431	8,276	13,233	85,278
	<u>127,206</u>	<u>36,024</u>	<u>73,382</u>	<u>57,205</u>	<u>293,817</u>
Management and general	465,072	-	-	-	465,072
Development	144,600	-	-	-	144,600
Events	22,616	-	-	-	22,616
Total expenses	<u>759,494</u>	<u>36,024</u>	<u>73,382</u>	<u>57,205</u>	<u>926,105</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<b>111,760</b>	<b>(26,754)</b>	<b>(51,334)</b>	<b>(42,837)</b>	<b>(9,165)</b>
Realized gains on investments, net	43,119	56,107	135,038	87,802	322,066
Unrealized gains on investments, net	72,246	-	-	29,222	101,468
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	<b>227,125</b>	<b>29,353</b>	<b>83,704</b>	<b>74,187</b>	<b>414,369</b>
<b>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>-</b>	<b>47,178</b>	<b>111,917</b>	<b>43,504</b>	<b>202,599</b>
<b>CHANGE IN PERMANENTLY RESTRICTED NET ASSETS</b>					
Contributions	-	5,733	7,530	-	13,263
<b>CHANGE IN NET ASSETS</b>	<b>227,125</b>	<b>82,264</b>	<b>203,151</b>	<b>117,691</b>	<b>630,231</b>
<b>NET ASSETS, <i>beginning of year</i></b>	<b>410,297</b>	<b>698,449</b>	<b>1,630,942</b>	<b>1,066,172</b>	<b>3,805,860</b>
<b>NET ASSETS, <i>end of year</i></b>	<b><u>\$ 637,422</u></b>	<b><u>\$ 780,713</u></b>	<b><u>\$ 1,834,093</u></b>	<b><u>\$ 1,183,863</u></b>	<b><u>\$ 4,436,091</u></b>

See Independent Auditor's Report.