

HERBERT H. LEHMAN  
COLLEGE FOUNDATION, INC.  
Financial Statements  
June 30, 2024 and 2023  
(With Independent Auditors' Report Thereon)

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Herbert H. Lehman College Foundation, Inc.:

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Herbert H. Lehman College Foundation, Inc. (the Foundation) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Herbert H. Lehman College Foundation, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

EFPR Group, CPAs, PLLC

Williamsville, New York  
September 18, 2024

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.  
 Statements of Financial Position  
 June 30, 2024 and 2023

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and equivalents	\$ 5,361,756	4,630,432
Current portion of contributions receivable, net	665,221	460,450
Prepaid expenses	105,672	467,114
Other assets	20,556	4,424
Total current assets	6,153,205	5,562,420
Noncurrent assets:		
Investments	8,854,528	8,282,079
Contributions receivable, net of current portion	457,565	498,863
Total noncurrent assets	9,312,093	8,780,942
Total assets	\$ 15,465,298	14,343,362
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	216,539	60,950
Current portion of annuity payable	700	700
Total current liabilities	217,239	61,650
Annuity payable, excluding current portion	785	785
Total liabilities	218,024	62,435
Net assets:		
Without donor restrictions	1,468,886	1,237,102
With donor restrictions	13,778,388	13,043,825
Total net assets	15,247,274	14,280,927
Total liabilities and net assets	\$ 15,465,298	14,343,362

See accompanying notes to financial statements.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Statements of Activities

Years ended June 30, 2024 and 2023

	2024			2023		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Revenue:						
Contributions	\$ 322,586	3,741,862	4,064,448	321,219	3,576,516	3,897,735
Special events	16,370	-	16,370	153,374	-	153,374
Less direct cost of special events	(104,502)	-	(104,502)	(57,909)	-	(57,909)
Interest and dividends	193,809	130,551	324,360	370	124,019	124,389
Net realized gain (loss) from sales of investments	158	119,876	120,034	(18)	125,922	125,904
Unrealized gain (loss) on investments	372	342,474	342,846	(767)	210,954	210,187
Contributed nonfinancial assets	367,899	-	367,899	187,138	-	187,138
Net assets released from restrictions	3,600,200	(3,600,200)	-	2,967,842	(2,967,842)	-
Total revenue	4,396,892	734,563	5,131,455	3,571,249	1,069,569	4,640,818
Expenses:						
Program services:						
Support of College	560,198	-	560,198	223,661	-	223,661
Support of students	2,550,844	-	2,550,844	2,379,190	-	2,379,190
Total program services	3,111,042	-	3,111,042	2,602,851	-	2,602,851
Supporting services:						
Management and general	392,923	-	392,923	339,480	-	339,480
Fundraising	661,143	-	661,143	456,000	-	456,000
Total supporting services	1,054,066	-	1,054,066	795,480	-	795,480
Total expenses	4,165,108	-	4,165,108	3,398,331	-	3,398,331
Change in net assets	231,784	734,563	966,347	172,918	1,069,569	1,242,487
Net assets at beginning of year	1,237,102	13,043,825	14,280,927	1,064,184	11,974,256	13,038,440
Net assets at end of year	\$ 1,468,886	13,778,388	15,247,274	1,237,102	13,043,825	14,280,927

See accompanying notes to financial statements.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Statements of Functional Expenses  
Years ended June 30, 2024 and 2023

	2024					2023				
	Program Services		Supporting Services			Program Services		Supporting Services		
	Support of College	Support of Students	Management and general	Fundraising	Total	Support of College	Support of Students	Management and general	Fundraising	Total
Professional fees and services	\$ -	-	87,635	532,000	619,635	2,500	-	86,104	456,000	544,604
Personnel	230,966	-	96,301	-	327,267	80,689	-	87,000	-	167,689
Scholarships, awards and programmatic aide	-	2,550,844	-	42,725	2,593,569	-	2,379,190	-	-	2,379,190
Contributed nonfinancial assets	140,983	-	140,983	85,933	367,899	93,569	-	93,569	-	187,138
Supplies	55,924	-	980	-	56,904	8,534	-	1,127	-	9,661
Postage and shipping	-	-	3,376	-	3,376	-	-	2,176	-	2,176
Travel and conferences	110,394	-	1,282	-	111,676	17,057	-	4,430	-	21,487
Insurance	-	-	8,210	-	8,210	-	-	8,411	-	8,411
Subscriptions and memberships	275	-	1,250	-	1,525	10,700	-	1,166	-	11,866
Registration and filing fees	-	-	20,604	-	20,604	-	-	22,580	-	22,580
Printing and reproduction	1,902	-	729	-	2,631	660	-	332	-	992
Entertainment	19,754	-	821	-	20,575	2,668	-	956	-	3,624
Software and licensing fees	-	-	14,133	-	14,133	-	-	16,856	-	16,856
Bad debt	-	-	-	-	-	1,296	-	9,815	-	11,111
Banking and processing fees	-	-	16,619	-	16,619	5,988	-	4,958	-	10,946
Miscellaneous	-	-	-	485	485	-	-	-	-	-
Total expenses	<u>\$ 560,198</u>	<u>2,550,844</u>	<u>392,923</u>	<u>661,143</u>	<u>4,165,108</u>	<u>223,661</u>	<u>2,379,190</u>	<u>339,480</u>	<u>456,000</u>	<u>3,398,331</u>

See accompanying notes to financial statements.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.  
 Statements of Cash Flows  
 Years ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 966,347	1,242,487
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net realized and unrealized gain on investments	(462,880)	(336,091)
Donor restricted contributions	(3,741,862)	(3,576,516)
Changes in:		
Contributions receivable	448,304	78,373
Prepaid expenses	361,442	(380,114)
Other assets	(16,132)	23,450
Accounts payable	<u>155,589</u>	<u>(49,574)</u>
Net cash used in operating activities	<u>(2,289,192)</u>	<u>(2,997,985)</u>
Cash flows from investing activities:		
Purchases of investments	(506,743)	(577,280)
Proceeds from sales of investments	<u>397,174</u>	<u>533,432</u>
Net cash used in investing activities	<u>(109,569)</u>	<u>(43,848)</u>
Cash flows from financing activities - proceeds from donor restricted contributions	<u>3,130,085</u>	<u>3,227,225</u>
Net change in cash and equivalents	731,324	185,392
Cash and equivalents at beginning of year	<u>4,630,432</u>	<u>4,445,040</u>
Cash and equivalents at end of year	<u>\$ 5,361,756</u>	<u>4,630,432</u>

See accompanying notes to financial statements.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements

June 30, 2024 and 2023

(1) Nature of Organization

Herbert H. Lehman College Foundation, Inc. (the Foundation) was created to support the educational endeavors of Herbert H. Lehman College (the College). In particular, the Foundation will provide scholarships and loans for students, support scholarly activities and augment College facilities and equipment. Its primary sources of revenues are contributions and investment income.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

(b) Basis of Presentation

The Foundation reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions represents resources available for the general support of the Foundation's activities. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Foundation.

(c) Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(d) Cash and Equivalents

For purposes of the statements of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

(e) Endowment

The Foundation's endowment was established by donations made directly to the Foundation. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of explicit donor-imposed restrictions; see note 8 for endowment funds detail.

The New York Prudent Management of Institutional Funds Act (NYPMIFA) was enacted on September 17, 2010 and removes the prohibition on appropriations below the historic dollar value of endowment funds absent explicit donor stipulations to the contrary.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(e) Endowment, Continued

In accordance with NYPMIFA, 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 various funds.
2. The purposes of the donor-restricted endowment funds.
3. General economic conditions.
4. The possible effects 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.

(f) Investments

The Foundation's investments are held by the City University of New York (CUNY) in an investment pool which is under the control of the Committee on Fiscal Affairs of the Board of Trustees of CUNY (the Committee). Several investment advisory firms are engaged to assist the Committee in its investment pool portfolio management, which is comprised of cash and cash equivalents, corporate bonds, equities, mutual funds, U.S. agency mortgage-backed securities, U.S. government bonds and foreign bonds. Realized and unrealized gains and losses are included in the statements of activities.

(g) Fair Value Measurements

A framework has been established for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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; and
- 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.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(g) Fair Value Measurements, Continued

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

The asset's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used during the years ended June 30, 2024 and 2023. The investments held by the Foundation in the CUNY investment pool are classified as level 2 in the fair value hierarchy.

(h) Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

(i) Allowance for Doubtful Accounts

The Foundation determines whether an allowance for uncollectible accounts should be provided for contributions receivable. Such estimates are based on management's assessment of the aged basis of its receivables, current economic conditions, subsequent collections and historical information. Receivables are charged to bad debts when they are deemed to be uncollectible based upon a periodic review of the accounts by management. As of June 30, 2024 and 2023 the Foundation had no allowance for doubtful accounts.

(j) Contracts with Customers

Under Accounting Standards Update (ASU) No. 2014-09 (Topic 606) - Revenue from Contracts with Customers, revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Foundation expects to be entitled in exchange for these good or services. The Foundation utilizes a five-step framework as identified in ASU No. 2014-09. The primary sources of revenue from contracts with customers for the Foundation are as follows:

Special Events

Special event revenue, excluding any contribution component, consists of a single performance obligation and revenue is recognized when the event occurs. There are minimal factors that could impact the nature, amount and timing of the uncertainties involving this revenue and the related cash flows.

Special event revenue is generally nonrefundable and is due before the event occurs or at the start of the event. Special event revenue is received in advance and is deferred and recognized when the event takes place.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(k) Revenue Recognition

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Unconditional promises to give and other assets, are reported at fair value at the date the contribution is received.

Donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when 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 statements of activities as net assets released from restrictions.

(l) Functional Allocation of Expenses

The costs of providing the Foundation's various programs and other activities have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are allocated based on management estimates.

(m) Subsequent Events

The Foundation has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(n) Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), therefore, no provision for income taxes is reflected in the financial statements. The Foundation has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Foundation presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Foundation has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Foundation are subject to examination by taxing authorities.

(o) Reclassifications

Reclassifications have been made to certain 2023 balances in order to conform them to the 2024 presentation.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(p) New Accounting Policies

At the beginning of 2024, the Foundation adopted Accounting Standards Codification 326, Financial Instruments - Credit Losses (Topic 326) Measurement of Credit Losses on Financial Instruments, as amended which modifies the measurement of expected credit losses on certain financial instruments, including receivables, and requires foundations to measure all expected credit losses for financial instruments based on historical experience, current conditions, and reasonable and supportable forecasts for collectability. The Foundation adopted this new standard utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Foundation's financial statements.

(3) Liquidity

The Foundation has \$6,026,977 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$5,361,756 of cash and equivalents and \$665,221 of current receivables. Certain of these assets are subject to donor or contractual restrictions that make them unavailable for general expenditure within one year of the 2024 statement of financial position.

(4) Cash and Equivalents and Investments

(a) Custodial Credit Risk - Deposits

Custodial credit risk of deposits is the risk that the Foundation's deposits may not be returned in the event of a bank failure. At June 30, 2024, \$1,589,939 of the Foundation's bank balance of \$1,839,939 was exposed to custodial credit risk. At June 30, 2023, \$4,380,432 of the Foundation's bank balance of \$4,630,432 was exposed to custodial credit risk. Although the accounts exceed the federally insured deposit amount, they are held with a "Systemically Important Financial Institution," as established by the Dodd-Frank Act of 2010 and management intends to continue to do so in the future to mitigate this risk.

(b) Custodial Credit Risk - Investments

Custodial credit risk as it relates to investments is the risk that in the event of failure of the counterparty of a transaction, the Foundation will not be able to recover the value of its investment portfolio that is in the possession of that failed counterparty. At June 30, 2024 and 2023, the Foundation's entire investment portfolio balance of \$8,854,528 and \$8,282,079, respectively, was exposed to custodial credit risk, as it was uninsured and uncollateralized.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements, Continued

(5) Contributions Receivable

Contributions receivable primarily consisted of unconditional promises to give to support scholarships, awards and programmatic initiatives. A summary of contributions receivable at June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Amounts due in:		
Less than one year	\$ 665,221	460,450
One to five years	<u>507,041</u>	<u>555,800</u>
	1,172,262	1,016,250
Less unamortized discount at 4.3% in 2024 and 4.5% in 2023	<u>(49,476)</u>	<u>(56,937)</u>
Contributions receivable, net	\$ <u>1,122,786</u>	<u>959,313</u>

Contributions receivable as reflected in the accompanying statements of financial position at June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Current	\$ 665,221	460,450
Long-term	<u>457,565</u>	<u>498,863</u>
	\$ <u>1,122,786</u>	<u>959,313</u>

(6) Investments in CUNY Investment Pool and Related Investment Income

The Foundation's investments in the investment pool are comprised of assets which are pooled and invested by and under the control of the Committee. Pooled investments include equity and fixed income securities amounting to \$8,854,528 and \$8,282,079 at June 30, 2024 and 2023, respectively.

The following table summarizes the activity for financial instruments during the years ended June 30, 2024 and 2023:

Balance at June 30, 2022	\$ 7,902,140
Additions	463,632
Withdrawals	(533,432)
Interest and dividends	113,648
Realized gain	125,904
Unrealized gain	<u>210,187</u>

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements, Continued

(6) Investments in CUNY Investment Pool and Related Investment Income, Continued

Balance at June 30, 2023	\$ 8,282,079
Additions	376,036
Withdrawals	(397,174)
Interest and dividends	130,707
Realized gain	120,034
Unrealized gain	<u>342,846</u>
Balance at June 30, 2024	\$ <u>8,854,528</u>

A summary of investment income related to the CUNY investment pool for the years ended June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 130,707	113,648
Realized gain	120,034	125,904
Unrealized gain	<u>342,846</u>	<u>210,187</u>
Total investment income	\$ <u>593,587</u>	<u>449,739</u>

(7) Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30, 2024 and 2023 are available for the following purposes or periods:

	<u>2024</u>	<u>2023</u>
Time or purpose restriction:		
Educational services:		
Purpose and time restricted	\$ 4,923,860	4,761,746
Unappropriated endowment earnings	1,173,151	976,738
Endowment - educational services	<u>7,681,377</u>	<u>7,305,341</u>
	\$ <u>13,778,388</u>	<u>13,043,825</u>

During the years ended June 30, 2024 and 2023, net assets with donor restrictions were released from restrictions by incurring expenses for scholarships, awards and other expenses amounting to \$3,600,200 and \$2,967,842, respectively.

(8) Endowment Fund

The Foundation classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment including any present value adjustment, (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.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements, Continued

(8) Endowment Fund, Continued

The Foundation has adopted investment and spending policies, approved by the Board of Directors, 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 these endowment assets over the long-term. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. Actual returns in any given year may vary from this amount. 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 assets allocation.

The spending policy calculates the amount of money annually distributed from the Foundation's various endowment funds for grant making and administration. The current spending policy is to distribute 4% on quarterly moving average of endowment assets until it reaches 20 quarters on the determination date ending December 31<sup>st</sup> of the fiscal year beginning July 1<sup>st</sup> of the year when the distributions are to be made.

	<u>2024</u>		
	<u>Time</u> <u>restrictions</u>	<u>Endowment</u> <u>restrictions</u>	<u>Total</u>
Endowment net assets at beginning of year	\$ 976,738	7,305,341	8,282,079
Contributions	-	376,036	376,036
Appropriated for distribution	(397,174)	-	(397,174)
Interest and dividends	130,707	-	130,707
Realized gain on investment	120,034	-	120,034
Unrealized gain on investments	<u>342,846</u>	<u>-</u>	<u>342,846</u>
Endowment net assets at end of year	\$ <u>1,173,151</u>	<u>7,681,377</u>	<u>8,854,528</u>
	<u>2023</u>		
	<u>Time</u> <u>restrictions</u>	<u>Endowment</u> <u>restrictions</u>	<u>Total</u>
Endowment net assets at beginning of year	\$ 840,588	7,061,552	7,902,140
Contributions	-	243,789	243,789
Appropriated for distribution	(323,475)	-	(323,475)
Other transfers	10,256	-	10,256
Interest and dividends	113,278	-	113,278
Realized gain on investment	125,904	-	125,904
Unrealized gain on investments	<u>210,187</u>	<u>-</u>	<u>210,187</u>
Endowment net assets at end of year	\$ <u>976,738</u>	<u>7,305,341</u>	<u>8,282,079</u>

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

Notes to Financial Statements, Continued

(9) Contributed Nonfinancial Assets

For the years ended June 30, 2024 and 2023, contributed nonfinancial assets recognized within the statements of activities included the following:

	<u>2024</u>	<u>2023</u>
Services	\$ 266,486	171,658
Rent	15,480	15,480
Gifts	<u>85,933</u>	<u>-</u>
	\$ <u>367,899</u>	<u>187,138</u>

Contributed services recognized are comprised of professional services related to the operations of the Foundation. Amounts represent an estimated percentage of time worked on Foundation related activity. Contributed rent represents the Foundation's share of the building in which the Foundation operates. The square footage rate used in the calculation is based on similar office space in the surrounding area. Contributed gifts recognized are comprised of the value of items contributed to the Gala as prizes.