INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Josiah Macy Jr. Foundation

We have audited the accompanying financial statements of Josiah Macy Jr. Foundation (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditors' 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 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 Josiah Macy Jr. Foundation as of June 30, 2019 and 2018, 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.

New York, New York
June 18, 2020
JOSIAH MACY JR. FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2019 AND 2018

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents (Notes 1b and 9)</td>
<td>$1,062,161</td>
<td>$4,718,997</td>
</tr>
<tr>
<td>Investments, at fair value (Notes 1c, 1d and 4)</td>
<td>127,819,604</td>
<td>126,610,210</td>
</tr>
<tr>
<td>Due from broker</td>
<td>657,913</td>
<td>220,597</td>
</tr>
<tr>
<td>Accrued interest and dividends receivable</td>
<td>82,867</td>
<td>128,891</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>82,005</td>
<td>124,526</td>
</tr>
<tr>
<td>Property and equipment, at cost, less accumulated depreciation (Notes 1e and 5)</td>
<td>4,684,049</td>
<td>4,374,510</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$134,388,599</td>
<td>$136,177,731</td>
</tr>
<tr>
<td><strong>Liabilities and Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants payable (Notes 1f and 6)</td>
<td>$571,158</td>
<td>$661,297</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>104,230</td>
<td>162,823</td>
</tr>
<tr>
<td>Deferred federal excise tax (Note 2)</td>
<td>148,205</td>
<td>142,290</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>823,593</td>
<td>966,410</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions</td>
<td>133,565,006</td>
<td>135,211,321</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>$134,388,599</td>
<td>$136,177,731</td>
</tr>
</tbody>
</table>

See notes to financial statements.
## JOSIAH MACY JR. FOUNDATION

### STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2019 AND 2018

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Changes in Net Assets Without Donor Restrictions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net realized and unrealized gain on investments</td>
<td>3,573,972</td>
<td>8,318,854</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>6,894,120</td>
<td>7,636,454</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>7,555,157</td>
<td>7,723,118</td>
</tr>
<tr>
<td>Supporting services - management and general</td>
<td>985,278</td>
<td>1,005,940</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>8,540,435</td>
<td>8,729,058</td>
</tr>
<tr>
<td>Decrease in net assets without donor restrictions</td>
<td>(1,646,315)</td>
<td>(1,092,604)</td>
</tr>
<tr>
<td>Net assets without donor restrictions, beginning of year</td>
<td>135,211,321</td>
<td>136,303,925</td>
</tr>
<tr>
<td><strong>Net Assets Without Donor Restrictions, End of Year</strong></td>
<td>$133,565,006</td>
<td>$135,211,321</td>
</tr>
</tbody>
</table>

See notes to financial statements.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$1,425,897</td>
<td>$459,968</td>
<td>$1,885,865</td>
<td>$1,432,555</td>
<td>$438,222</td>
<td>$1,870,777</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>252,234</td>
<td>80,237</td>
<td>332,471</td>
<td>260,250</td>
<td>79,611</td>
<td>339,861</td>
</tr>
<tr>
<td>Professional services</td>
<td>195,067</td>
<td>161,948</td>
<td>357,015</td>
<td>412,450</td>
<td>185,141</td>
<td>597,591</td>
</tr>
<tr>
<td>Equipment and</td>
<td>195,067</td>
<td>161,948</td>
<td>357,015</td>
<td>412,450</td>
<td>185,141</td>
<td>597,591</td>
</tr>
<tr>
<td>Utilities,</td>
<td>49,646</td>
<td>16,015</td>
<td>65,661</td>
<td>56,860</td>
<td>17,393</td>
<td>74,253</td>
</tr>
<tr>
<td>Travel</td>
<td>95,054</td>
<td>-</td>
<td>95,054</td>
<td>79,896</td>
<td>-</td>
<td>79,896</td>
</tr>
<tr>
<td>Director meetings</td>
<td>40,358</td>
<td>40,358</td>
<td>80,716</td>
<td>41,979</td>
<td>41,979</td>
<td>83,958</td>
</tr>
<tr>
<td>Other administrative</td>
<td>156,517</td>
<td>15,281</td>
<td>171,798</td>
<td>177,240</td>
<td>16,802</td>
<td>194,042</td>
</tr>
<tr>
<td>Grants, Conferences</td>
<td>2,831,164</td>
<td>-</td>
<td>2,831,164</td>
<td>2,473,678</td>
<td>-</td>
<td>2,473,678</td>
</tr>
<tr>
<td>and Publications</td>
<td>491,925</td>
<td>-</td>
<td>491,925</td>
<td>498,354</td>
<td>-</td>
<td>498,354</td>
</tr>
<tr>
<td>Matching gift</td>
<td>103,155</td>
<td>-</td>
<td>103,155</td>
<td>142,830</td>
<td>-</td>
<td>142,830</td>
</tr>
<tr>
<td>Macy faculty</td>
<td>1,575,397</td>
<td>-</td>
<td>1,575,397</td>
<td>1,625,522</td>
<td>-</td>
<td>1,625,522</td>
</tr>
<tr>
<td>scholars grants</td>
<td>8,064</td>
<td>-</td>
<td>8,064</td>
<td>185,859</td>
<td>-</td>
<td>185,859</td>
</tr>
<tr>
<td>and related expenses</td>
<td>78,623</td>
<td>-</td>
<td>78,623</td>
<td>125,713</td>
<td>-</td>
<td>125,713</td>
</tr>
<tr>
<td>Publications</td>
<td>26,880</td>
<td>-</td>
<td>26,880</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Provision for taxes</td>
<td>-</td>
<td>53,621</td>
<td>53,621</td>
<td>-</td>
<td>50,939</td>
<td>50,939</td>
</tr>
<tr>
<td>Current excise tax</td>
<td>-</td>
<td>14,154</td>
<td>14,154</td>
<td>-</td>
<td>26,828</td>
<td>26,828</td>
</tr>
<tr>
<td>Depreciation</td>
<td>225,176</td>
<td>72,638</td>
<td>297,814</td>
<td>182,868</td>
<td>55,940</td>
<td>238,808</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$7,555,157</td>
<td>$985,278</td>
<td>$8,540,435</td>
<td>$7,723,118</td>
<td>$1,005,940</td>
<td>$8,729,058</td>
</tr>
</tbody>
</table>

See notes to financial statements.
# JOSIAH MACY JR. FOUNDATION

## STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2019 AND 2018

<table>
<thead>
<tr>
<th>Cash Flows From Operating Activities</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in net assets</td>
<td>$ (1,646,315)</td>
<td>$ (1,092,604)</td>
</tr>
<tr>
<td>Adjustments to reconcile decrease in net assets to net cash used by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>297,814</td>
<td>238,808</td>
</tr>
<tr>
<td>Net realized and unrealized gain on investments</td>
<td>(3,573,972)</td>
<td>(8,318,854)</td>
</tr>
<tr>
<td>Provision for deferred federal excise tax liability</td>
<td>5,915</td>
<td>26,828</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued interest and dividends receivable</td>
<td>46,024</td>
<td>(11,802)</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>42,521</td>
<td>(42,926)</td>
</tr>
<tr>
<td>Grants payable</td>
<td>(90,139)</td>
<td>20,295</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>(58,593)</td>
<td>(68,481)</td>
</tr>
<tr>
<td>Net Cash Used By Operating Activities</td>
<td>(4,976,745)</td>
<td>(9,248,736)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash Flows From Investing Activities</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of investments</td>
<td>(35,556,922)</td>
<td>(38,563,000)</td>
</tr>
<tr>
<td>Proceeds from sales of investments</td>
<td>37,484,184</td>
<td>48,453,228</td>
</tr>
<tr>
<td>Payment for property and equipment additions</td>
<td>(607,353)</td>
<td>(42,284)</td>
</tr>
<tr>
<td>Net Cash Provided By Investing Activities</td>
<td>1,319,909</td>
<td>9,847,944</td>
</tr>
</tbody>
</table>

Net increase (decrease) in cash and cash equivalents | (3,656,836) | 599,208 |
Cash and cash equivalents, beginning of year | 4,718,997 | 4,119,789 |

**Cash and Cash Equivalents, End of Year** | $ 1,062,161 | $ 4,718,997 |

See notes to financial statements.
Note 1 - Organization and Summary of Significant Accounting Policies

a - Organization
The Josiah Macy Jr. Foundation (the "Foundation") is a private foundation which provides grants to colleges, universities and other professional associations relating primarily to health professional education.

b - Cash and Cash Equivalents
For purposes of the statement of cash flows, the Foundation considers all unrestricted highly liquid debt instruments, purchased with a maturity of three months or less, to be cash equivalents, except for cash and short-term investments managed by the Foundation's investment managers as part of their long-term investment strategies.

c - Fair Value
Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-based measurement. Generally accepted accounting principles establish a framework for measuring fair value which maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset based on market data obtained from sources independent of the Foundation. Unobservable inputs reflect the Foundation's assumptions about the inputs market participants would use in pricing the asset developed based on the best information available in the circumstances. Fair value measurements are categorized into three levels as follows:

Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 Inputs that are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Availability of observable inputs can vary and is affected by a variety of factors. Level 3 assets and liabilities involve greater judgment than Level 1 or Level 2 assets or liabilities. Reporting entities that measure the fair value of an investment using the net asset value per share or its equivalent as a practical expedient are not required to be categorized within the fair value hierarchy.
Note 1 -  Organization and Summary of Significant Accounting Policies (continued)

d - Investments
The Foundation reflects investments with determinable fair values at their fair value in the statement of financial position. Unrealized gains and losses on investments are reflected in the statement of activities as increases and decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law.

The Foundation’s alternative investments, which do not have readily determinable fair values, are reported based upon the underlying net asset value per share or its equivalent as a practical expedient and are not required to be categorized within the fair value hierarchy. Net asset value per share is estimated at fair value by the fund manager or general partner in a manner consistent with accounting principles generally accepted in the United States for investment companies. The Foundation reviewed and evaluated the values provided by the fund managers and general partners and accepts the valuation methods and assumptions used in determining the net asset values of these investments. These estimated fair values may differ from the values that would have been used had a ready market for these investments existed.

e - Property and Equipment
Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful lives of the assets ranging from five to forty years.

f - Grants
The Foundation normally provides grants to colleges, universities and other professional associations for a period of one to three years. These grants are recorded as expense at the time they become unconditional. Conditional or revocable grants are disclosed as future commitments.

g - Financial Statement Presentation
The financial statements of the Foundation have been prepared in accordance with U.S. generally accepting accounting principles, which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions
Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the Board of Directors.
Note 1 - Organization and Summary of Significant Accounting Policies (continued)

g - Financial Statement Presentation (continued)

Net Assets With Donor Restrictions
Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

All of the Foundation’s net assets at June 30, 2019 and 2018, are classified as net assets without donor restrictions.

h - Expense Allocations
The cost of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and the supporting service benefited. Expenses are allocated directly to programs and supporting services, where applicable, on a reasonable and consistent basis. A substantial portion of the Foundation’s expenses are directly related to program activities. Certain expenses are attributable to more than one program or supporting service and require allocation. Salaries, payroll taxes and benefits, are allocated based on estimates of employee time and effort, while utilities, insurance and building maintenance and depreciation are allocated on overall salary percentages.

i - Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

j - Subsequent Events
The Foundation has evaluated subsequent events through June 18, 2020, the date that the financial statements are considered available to be issued.
Note 1 - Organization and Summary of Significant Accounting Policies (continued)

k - New Accounting Pronouncement
The Foundation adopted Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities. The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled “net assets without donor restrictions” and “net assets with donor restrictions”; (b) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources; (c) requiring that all nonprofits present an analysis of expenses by function and nature and disclose the methods used to allocate costs; and (d) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. As permitted under the ASU in the year of adoption, the Foundation opted to not disclose liquidity and availability information for 2018.

l - Comparative Financial Information
For comparability, certain 2018 amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2019.

Note 2 - Income Tax Status

The Foundation qualifies as a tax-exempt organization as defined by Internal Revenue Code Section 501(c)(3) and, accordingly, is not subject to federal income taxes under Internal Revenue Code Section 501(a). In addition, New York State (the “State”) and New York City (the “City”) have classified the Foundation as nonprofit in character and, as such, it is exempt from payment of income taxes to the State and City. However, as a private foundation, a federal excise tax of 1% or 2% is imposed on the net investment income of the Foundation.

Deferred federal excise tax (benefit) arises from temporary differences between financial and tax reporting related to the difference between the cost basis and the fair value of marketable securities.

In addition, as a private foundation, qualifying distributions are required to be made for charitable, educational, or religious and scientific purposes equal to approximately 5% of the average fair value of the Foundation’s cash and investments. All such required qualifying distributions have been made through June 30, 2019.
Note 3 - Information Regarding Liquidity and Availability

The Foundation operates with a budget that is based on 5.75% of a 5 year rolling average of the Foundation’s investment portfolio. The budget is reviewed at the midpoint of the year and adjustments are made if the investment portfolio’s current performance is not aligned with the 5 year rolling average. Revenue to fund the annual budget expenditures comes from interest income, dividends and realized gains on the redemption of portfolio assets. The Foundation considers annual budget expenditures to consist of all expenses related to its ongoing program activities and expenses related to general and administrative activities.

The Foundation regularly monitors liquidity to meet its operating needs and other commitments and obligations, while seeking to maximize the investment of its available funds. Management prepares regular cash flow projections to determine liquidity needs and along with the Foundation’s Investment Committee reviews its liquidity profile on a regular basis to ensure it has sufficient cash to cover no less than 90 days of expenditures. Financial assets in excess of daily cash requirements are invested in money market funds as well as short term Treasury and government agency instruments.

The Foundation’s financial assets as of June 30, 2019, and those available within one year to meet cash needs for general expenditures within one year are summarized as follows:

<table>
<thead>
<tr>
<th>Financial Assets at Year End:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,062,161</td>
</tr>
<tr>
<td>Investments, at fair value</td>
<td>127,819,604</td>
</tr>
<tr>
<td>Due from broker</td>
<td>657,913</td>
</tr>
<tr>
<td>Accrued interest and dividends receivable</td>
<td>82,867</td>
</tr>
</tbody>
</table>

Total Financial Assets Available to Meet General Expenditures within One Year: $129,622,545

A significant portion of the Foundation’s investments at fair value are redeemable based on terms that extend beyond a one year period (see Note 4).
Note 4 - Investments

The cost and fair value of investments were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Fair Value</th>
<th>Cost</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed income</td>
<td>$17,427,994</td>
<td>$17,648,088</td>
<td>$20,402,704</td>
<td>$19,965,324</td>
</tr>
<tr>
<td>Equities - including investments measured at net asset value</td>
<td>46,820,828</td>
<td>51,716,116</td>
<td>49,643,478</td>
<td>55,094,945</td>
</tr>
<tr>
<td>Alternative assets - measured at net asset value</td>
<td>26,928,748</td>
<td>32,386,469</td>
<td>24,950,065</td>
<td>30,794,235</td>
</tr>
<tr>
<td>Liquidating investments - measured at net asset value</td>
<td>4,596,803</td>
<td>5,588,612</td>
<td>4,246,126</td>
<td>5,216,471</td>
</tr>
<tr>
<td>Hybrid investments - measured at net asset value</td>
<td>6,605,801</td>
<td>7,113,052</td>
<td>5,509,318</td>
<td>6,020,432</td>
</tr>
<tr>
<td>Private investments - measured at net asset value</td>
<td>7,751,232</td>
<td>9,683,469</td>
<td>5,253,665</td>
<td>6,271,597</td>
</tr>
<tr>
<td>Real assets - including investments measured at net asset value</td>
<td>2,779,753</td>
<td>3,683,798</td>
<td>2,375,879</td>
<td>3,247,206</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$112,911,159</strong></td>
<td><strong>$127,819,604</strong></td>
<td><strong>$112,381,235</strong></td>
<td><strong>$126,610,210</strong></td>
</tr>
</tbody>
</table>

The Foundation has investments in alternative investments that include limited partnerships, limited liability corporations and offshore corporations. While these investments contain varying degrees of risk, the Foundation's risk is limited to its capital investment in each investment.

In fiscal 2019 and 2018, the Foundation committed to invest $9,800,000 and $16,500,000, respectively, in private investment funds that make periodic capital calls. Investment in these funds cannot be withdrawn, except upon consent of the private investment funds. As of June 30, 2019, the Foundation committed to invest a total of $43,050,000 in private investment funds, of which approximately $21,336,000 of these commitments remain outstanding.

Investment fees of approximately $565,000 related to the alternative investments were netted against the unrealized appreciation in 2019. Such fees approximated $474,000 in 2018.

The following summarizes the Foundation's investments that are measured on a recurring basis at June 30:

<table>
<thead>
<tr>
<th></th>
<th>Fair Value</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed income</td>
<td>$17,648,088</td>
<td>$17,648,088</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Equities</td>
<td>12,959,998</td>
<td>12,959,998</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Total Assets in Fair Value Hierarchy</td>
<td>30,608,086</td>
<td>$30,608,086</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Investments measured at net asset value</td>
<td>97,211,518</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td><strong>$127,819,604</strong></td>
<td><strong>$ -</strong></td>
<td><strong>$ -</strong></td>
<td><strong>$ -</strong></td>
</tr>
</tbody>
</table>
Note 4 - Investments (continued)

2018

<table>
<thead>
<tr>
<th></th>
<th>Fair Value</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed income</td>
<td>$ 19,965,324</td>
<td>$19,965,324</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Equities</td>
<td>17,132,439</td>
<td>17,132,439</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Total Assets in Fair Value Hierarchy</td>
<td>37,097,763</td>
<td>$37,097,763</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Investments measured at net asset value</td>
<td>89,512,447</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Investments</td>
<td>$126,610,210</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The alternative investments included in the Foundation’s investment portfolio at June 30, 2019 and 2018 are redeemable based on the following terms and conditions:

2019  2018

| Monthly with 5 - 30 days’ notice | $14,084,134 | $14,517,422 |
| Quarterly with 45 days’ notice   | 3,346,933   | 3,721,469   |
| Quarterly with 60 - 65 days’ notice | 14,159,773 | 14,630,081 |
| Annually                        | 14,621,461  | 12,060,222  |
| Quarterly after eighteen months lock-up period | 1,778,444 | 4,709,652 |
| Quarterly after three-year lock-up period | 11,308,088 | 11,200,363 |
| Annually after three-year lock-up period | 2,631,470 | 2,574,900 |
| Every two years at anniversary of purchase | 2,833,527 | 4,033,198 |
| Every two years after two-year lock-up period | 5,790,251 | 5,320,421 |
| Every three years at anniversary of purchase | 1,722,892 | 1,205,484 |
| No opportunity for redemption: distributions made at fund’s discretion | 24,934,545 | 15,539,235 |
| Total                      | $97,211,518 | $89,512,447 |

The following are descriptions of the investment strategies of the Foundation’s investments:

*Fixed Income*
Invests in fixed income securities which provide current income to support operating cash flow, liquidity to take advantage of unforeseen market opportunities, and creates some measure of diversification. As a result, both credit quality and preservation of principal are a core emphasis of this allocation.
Note 4 - Investments (continued)

*Equities*
Invests in public equities with the objective of building a portfolio that is diversified by geographic region, economic sector, industry, and market capitalization which provides long-term capital appreciation.

*Alternative Assets*
Invests in investments commonly characterized as long/short “equity hedge” and “absolute return strategies” strategies. Equity long/short managers typically make both long and short investments and produce returns that can be expected to correlate more closely with the performance of the equity markets. Absolute return strategies typically involve event-driven, stressed and distressed credit and equity, macro, and spread-based arbitrage investments.

*Liquidating Investments*
Invests in non-liquid positions that will be realized over time.

*Hybrid Investments*
Invests in investments that tend to be heavily long biased and often have less liquidity than public equity funds or hedge funds, but exhibit shorter duration than traditional private equity and real assets funds.

*Private Investments*
Invests in investments that encompass diverse strategies including buyout, growth, venture capital and control-oriented distressed. These illiquid investments generally have four to six-year investment periods and approximately ten-year fund lives.

*Real Assets*
Invests in investments that encompass real estate, energy, timber, and commodities; these investments are expected to be in private strategies but may also include managers that invest in publicly traded securities.
Note 5 - **Property and Equipment**

Fixed assets at June 30 consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>Life</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td></td>
<td>$1,922,700</td>
<td>$1,922,700</td>
</tr>
<tr>
<td>Buildings</td>
<td>40 years</td>
<td>1,291,072</td>
<td>1,291,072</td>
</tr>
<tr>
<td>Improvements</td>
<td>5 - 20 years</td>
<td>4,282,547</td>
<td>3,974,098</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>5 years</td>
<td>540,124</td>
<td>307,357</td>
</tr>
<tr>
<td>Website</td>
<td>5 years</td>
<td>153,911</td>
<td>87,774</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>8,190,354</td>
<td>7,583,001</td>
</tr>
<tr>
<td>Less: Accumulated depreciation</td>
<td>(3,506,305)</td>
<td>(3,208,491)</td>
<td></td>
</tr>
<tr>
<td><strong>Net Book Value</strong></td>
<td></td>
<td>$4,684,049</td>
<td>$4,374,510</td>
</tr>
</tbody>
</table>

Note 6 - **Grants Payable**

Grants payable as of June 30, 2019 and 2018 are payable within one year.

During the year ended June 30, 2019, the Foundation’s Board of Directors had authorized grants of $1,218,714. Of this amount, $647,556 is to be paid in future years and is conditional upon the grantees making satisfactory progress toward stated objectives and is revocable by the Board of Directors if certain conditions are not met. Total conditional grants to be paid in future years are $1,703,097.

Note 7 - **Related Parties**

Certain members of the Board of Directors of the Foundation have relationships with institutions that receive grants from the Foundation. Grants totaling $225,000 was paid to an institution during the years ended June 30, 2018. It is a Board mandated policy that Directors with relationships with institutions receiving grants abstain from voting on grants to those institutions.
Note 8 - Retirement Plan

The Foundation has a noncontributory employee retirement plan with Teachers Insurance and Annuity Association (TIAA-CREF) covering employees who meet specified service and age tests. The plan is funded by the purchase of individual annuity contracts with an insurance company. Premium payments of $115,080 and $128,552 were charged to operating expense for the years ended June 30, 2019 and 2018, respectively.

In addition, the Foundation’s employees have the option to participate in supplemental retirement plans with TIAA-CREF through payroll deductions.

Note 9 - Concentration of Credit Risk

The Foundation maintains its cash and cash equivalent balances in The Bank of New York Mellon, which at times, may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation or the Securities Investors Protection Corporation up to certain limits.

Note 10 - Subsequent Event

In March 2020, the United States declared the global pandemic novel coronavirus COVID-19 outbreak a national emergency. The Board of Directors and management are currently evaluating the potential impact that the resulting economic uncertainties will have on the Foundation’s operations.