



philanthropic
ventures
foundation

PHILANTHROPIC VENTURES FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Philanthropic Ventures Foundation:

We have audited the accompanying financial statements of Philanthropic Ventures Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, 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.

Auditors' 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 from 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 auditors consider 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 Philanthropic Venture Foundation as of December 31, 2020, and the changes in its net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Evergreen Alliance

Los Alamitos, California
November 19, 2021

**PHILANTHROPIC VENTURES FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020**

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 5,332,623
Investments	<u>26,306,761</u>
Total Current Assets	31,639,384
NON-CURRENT ASSETS	
Deposits	<u>5,935</u>
TOTAL ASSETS	<u>\$ 31,645,319</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	\$ 2,957
Employee related accrued expenses	39,202
Grants payable	<u>816,346</u>
Total Current Liabilities	<u>858,505</u>
TOTAL LIABILITIES	858,505
NET ASSETS	
Net assets without donor restrictions	24,133,969
Net assets with donor restrictions	<u>6,652,845</u>
TOTAL NET ASSETS	<u>30,786,814</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 31,645,319</u>

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

**PHILANTHROPIC VENTURES FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Contributions	\$ 15,249,587	\$ --	\$ 15,249,587
Investment income, net	2,370,087	812,316	3,182,403
Other income	25,023	--	25,023
Net assets released from restrictions	<u>51,668</u>	<u>(51,668)</u>	<u>--</u>
TOTAL REVENUE AND SUPPORT	17,696,365	760,648	18,457,013
OPERATING EXPENSES			
Program services	13,189,097	--	13,189,097
Supporting services:			
Management and general	172,973	--	172,973
Fundraising	<u>81,438</u>	<u>--</u>	<u>81,438</u>
TOTAL OPERATING EXPENSES	<u>13,443,508</u>	<u>--</u>	<u>13,443,508</u>
CHANGE IN NET ASSETS	4,252,857	760,648	5,013,505
BEGINNING NET ASSETS	<u>19,881,112</u>	<u>5,892,197</u>	<u>25,773,309</u>
ENDING NET ASSETS	<u>\$ 24,133,969</u>	<u>\$ 6,652,845</u>	<u>\$ 30,786,814</u>

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

**PHILANTHROPIC VENTURES FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
PERSONNEL EXPENSES				
Salaries and wages	\$ 340,117	\$ 40,868	\$ 55,174	\$ 436,159
Employee benefits and taxes	<u>62,836</u>	<u>7,550</u>	<u>10,194</u>	<u>80,580</u>
TOTAL PERSONNEL EXPENSES	402,953	48,418	65,368	516,739
 OTHER EXPENSES				
Grants awarded	12,724,605	--	--	12,724,605
Insurance	--	9,950	--	9,950
Marketing and communication	--	--	9,092	9,092
Occupancy	37,201	4,470	6,035	47,706
Office expenses	17,701	17,192	943	35,836
Professional services:				
Accounting	--	87,230	--	87,230
Legal	--	5,530	--	5,530
Travel and meetings	<u>6,637</u>	<u>183</u>	<u>--</u>	<u>6,820</u>
TOTAL OTHER EXPENSES	<u>12,786,144</u>	<u>124,555</u>	<u>16,070</u>	<u>12,926,769</u>
 TOTAL EXPENSES	<u>\$ 13,189,097</u>	<u>\$ 172,973</u>	<u>\$ 81,438</u>	<u>\$13,443,508</u>

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

**PHILANTHROPIC VENTURES FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 5,013,505
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Realized gain on sales of investments	(558,329)
Unrealized gain on investments	(2,446,033)
Change in operating assets and liabilities:	
Accounts payable and accrued expenses	2,212
Employee related accrued expenses	11,204
Grants payable	<u>202,805</u>
Net Cash Provided By Operating Activities	2,225,364

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sales of investments	29,966,650
Purchases of investments	(30,899,318)
Net Cash Used In Investing Activities	<u>(932,668)</u>

**NET CHANGE IN CASH AND
CASH EQUIVALENTS**

1,292,696

**CASH AND CASH EQUIVALENTS AT
BEGINNING OF YEAR**

4,039,927

**CASH AND CASH EQUIVALENTS AT
END OF YEAR**

\$ 5,332,623

SUPPLEMENTAL DISCLOSURES

Interest paid	NONE
Income taxes paid	NONE
Noncash investing transactions	NONE
Noncash financing transactions	NONE

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

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – Organization

Philanthropic Ventures Foundation (the Foundation) is a non-profit public benefit corporation organized in 1991. The Foundation's mission is to engage creative donors and community partners in grassroots philanthropy via radical collaboration. The Foundation brings a unique perspective to philanthropy and the way it is carried out to maximize impact, providing a valuable and otherwise unheard voice to the philanthropic sector. The Foundation's approach and vision for philanthropy has been broadcast widely through public speaking engagements, teaching, the book *Grassroots Philanthropy*, publications and social media.

The Foundation has built up long-term relationships with donors, helped share their charitable giving, and is regarded as a trusted philanthropic advisor. The Foundation's staff is in regular communication with its grantees to act as an advocate in helping them succeed in their work. In addition to administering donor-advised funds, the Foundation administers a number of immediate response grant programs supported by Foundation grants. The Foundation also administers awards and scholarship programs and serves as a fiscal sponsor for charitable programs.

The Foundation derives its revenue and support from donations from the general public, grants from other organizations, and earnings on its investment portfolio.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Presentation of Financial Statements

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with United States Generally Accepted Accounting Principles (US GAAP). The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Cash and Cash Equivalents

All cash and highly liquid financial instruments with an original maturity of three months or less when purchased, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

Investments

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair value in the statement of financial position, and changes in fair value are reported as investment income in the statement of activities.

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 2 – Summary of Significant Accounting Policies (*continued*)

Investments (continued)

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statement of activities in the period in which the securities are sold. Interest and dividends are recorded when earned.

Grants Payable

Unconditional grants are recognized when approved and communicated to the grantee. Grants approved by the Board of Directors that are payable upon the performance of specified conditions by the grantee are not reflected in grants payable until those conditions are satisfied.

There were no conditional grants during the year ended December 31, 2020.

Classification of Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets available for use in general operations and not subject to donor or grantor restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor or grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, for example contributed assets that may or will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, for example stipulating that resources be maintained in perpetuity. Law may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, laws extend to donor-imposed restrictions. The expirations of donor-imposed restrictions are recognized when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue Recognition

Revenue is recognized when earned. Contributions are recognized when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Program service revenue received in advance are deferred to the applicable period in which the related services are performed or event occurs.

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 2 – Summary of Significant Accounting Policies *(continued)*

Revenue Recognition (continued)

There were no conditional promises to give during the year ended December 31, 2020.

During the year ended December 31, 2020, the Foundation derived approximately 36% of revenue and support from one donor.

Marketing and Communication

Marketing and communication expenditures are charged to operations when incurred. Marketing and communication for the year ended December 31, 2020 was \$9,092.

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenses. Actual results could differ from such estimates and those differences could be material.

Income Tax Status

The Foundation has received tax-exempt status from the Internal Revenue Service and California Franchise Tax Board under Section 501(c)(3) of the Internal Revenue Code and under Revenue and Taxation Code Section 23701d, respectively.

Since the Foundation is exempt from federal and state income tax liability, no provision is made for current or deferred income taxes. The Foundation uses the same accounting methods for tax and financial reporting. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt Foundation returns are more likely than not to be sustained upon examination. The Foundation's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

Financial Instruments and Credit Risk

Deposit concentrations are managed by placing cash with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, the Foundation has not experienced losses in any of these accounts. Investments are made by diversified investment managers whose performance is monitored by the Foundation's management and the Board of Directors. Although fair values of investments are subject to fluctuations on a year-to-year basis, the Foundation believes that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 2 – Summary of Significant Accounting Policies (continued)

Accounting Pronouncements Adopted

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement: Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The amendments to Topic 820 makes changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent interim or annual period presented in the initial fiscal year of adoption. ASU 2018-13 became effective for nonpublic business entities for the annual reporting period beginning after December 15, 2019.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*. ASU 2016-02 requires entities to recognize all leased assets on the statement of financial position with a corresponding liability resulting in a gross up of the statement of financial position. Entities will also be required to present additional disclosures regarding the nature and extent of leasing activities. ASU 2016-02 is effective for nonpublic business entities for the annual reporting period beginning after December 15, 2021. The Foundation is in the process of evaluating the impact of this statement and potential effects on the financial statements.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 is aimed to improve financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. ASU 2020-07 is effective for nonpublic business entities for the annual reporting period beginning after June 15, 2021. The Foundation is in the process of evaluating the impact of this statement and potential effects on the financial statements.

Subsequent Events

The Foundation has evaluated subsequent events through November 19, 2021, which is the date the financial statements were available to be issued for the year ended December 31, 2020, and determined there were no items to disclose other than those in Note 9.

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 3 – Liquidity and Availability

Financial assets available to meet cash needs for general expenditures within one year are as follows at December 31, 2020:

Cash and cash equivalents	\$ 5,332,623
Investments	<u>26,306,761</u>
Total financial assets	31,639,384
Less amounts unavailable for general expenditures within one-year, as a result of:	
Donor restrictions - Endowments	(<u>6,652,845</u>)
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>24,986,539</u>

The Foundation maintains cash in its checking account to meet at least 90 days of normal operating expenses, which are on average under \$2,500,000. Grants are paid from the checking account or directly from the investment account, which maintains sufficient cash and investments to cover future grant payments.

NOTE 4 – Fair Value Measurements and Disclosures

The Foundation reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell assets in an orderly transaction in the principal, most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the assets, including assumptions about risk. Input may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the assets based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the assets based on the best information available.

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 4 – Fair Value Measurement and Disclosures (continued)

A three-tier hierarchy categorizes the inputs as follows:

- *Level 1* inputs are quoted prices (unadjusted) in active markets for identical assets that the Foundation has the ability to access at the measurement date.
- *Level 2* inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- *Level 3* inputs are unobservable inputs for the asset.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk or liquidity profile of the asset.

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2020:

	<u>Fair Value Measurements at Reporting Date Using</u>			
	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual funds	\$ 16,077,707	\$ 16,077,707	\$ --	\$ --
Equity securities	9,751,140	9,751,140	--	--
Bonds	<u>477,914</u>	<u>--</u>	<u>477,914</u>	<u>--</u>
Total	<u>\$ 26,306,761</u>	<u>\$ 25,828,847</u>	<u>\$ 477,914</u>	<u>\$ --</u>

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 5 – Endowment

As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the 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 by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

Endowment fund deficiencies – from time to time, the fair value of assets associated with the restricted endowment may fall below the level that the donor or Board of Directors requires the Foundation retain as a fund of perpetual duration. As of December 31, 2020, there were no deficiencies.

Return objective and risk parameters – the Foundation has adopted investment and spending policies for endowment assets that attempt to preserve the purchasing power of the endowment fund and at the same time provide a regular and growing distribution of funds for the use of the Foundation, consistent with the terms of the endowment fund distribution policy and the terms governing the individual endowment funds. A balanced approach is to be taken between risk, preservation of capital, income and growth.

Strategies employed for achieving objectives – to satisfy its investment policy objectives, the Foundation relies on a total return strategy in which the investment returns are achieved through both capital appreciation (realized and unrealized) through equity-based investments, and current yield (interest and dividends) through fixed income investments. The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its return objectives within prudent risk constraints.

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 5 – Endowment (continued)

Spending policies and how the investment objectives related to spending policy – the Foundation has a policy of appropriating for distribution each year an amount of 3.5% of its endowment portfolio. The Board of Directors may request all, a portion, or none of the appropriation be distributed in accordance with the endowment fund’s purpose as defined by the endowment agreement or applicable Board resolution. Any portion of the distribution not appropriated by the Board of Directors shall be kept in the endowment fund, to be governed by the endowment investment policy, and be available for future distributions in accordance with the distribution policy.

The endowment is comprised of the following at December 31, 2020:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Porter fund	\$ --	\$ 6,652,845	\$ 6,652,845

The changes in endowment net assets are as follows for the fiscal year ended December 31, 2020:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Beginning balance	\$ --	\$ 5,892,197	\$ 5,892,197
Investment income, net	--	812,316	812,316
Appropriation of assets	<u>--</u>	<u>(51,668)</u>	<u>(51,668)</u>
Ending balance	<u>\$ --</u>	<u>\$ 6,652,845</u>	<u>\$ 6,652,845</u>

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 6 – Net Assets

Net Assets Without Donor Restrictions

The Foundation offers several types of funds that enable donors to identify funding opportunities aligned with their values and charitable interests. Donor-advised funds allow donors to recommend grant recipients, subject to the Foundation’s due diligence and approval. Contributions to donor-advised funds are considered contributions without donor restrictions as the Foundation maintains variance power over the funds.

Net assets without donor restrictions are as follows for the year ended December 31, 2020:

Undesignated	\$ 3,362,140
Donor-advised	<u>20,771,829</u>
Total	<u>\$ 24,133,969</u>

Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2020:

Subject to the endowment spending policy and appropriation	\$ 2,002,845
Held in perpetuity	<u>4,650,000</u>
Total	<u>\$ 6,652,845</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or the passage of time or other events specified by donors during the fiscal year ended December 31, 2020:

Satisfaction of the Foundation’s endowment spending policy and appropriation	\$ 51,668
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NOTE 7 – Retirement Plan

The Foundation has a noncontributory defined contribution pension plan covering all full-time employees with one or more years of eligible service. The Foundation contributes up to 10% of each eligible employee’s gross salary. Contribution expense for the year ended December 31, 2020 was \$23,725.

**PHILANTHROPIC VENTURES FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 8 – Functional Expenses

The costs of program and supporting service activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural and functional classification detail of expenses. Certain costs have been allocated among the programs and supporting services benefited. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, employee benefits and taxes, occupancy, office expenses, and travel and meetings, which are allocated on the basis of estimates of time and effort.

NOTE 9 – Subsequent Events and Economic Uncertainty

The Foundation's operations and finances may continue to be adversely affected by health epidemics including the coronavirus (COVID-19) outbreak commencing in December 2019. This includes an adverse effect on the economies and financial markets of many countries, resulting in an economic downturn that could affect funding streams. Any of the foregoing could harm the Foundation and management cannot anticipate all of the ways in which health epidemics such as COVID-19 could adversely impact its business model. Although the Foundation's management is continuing to monitor and assess the effects of the COVID-19 pandemic, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.