



REPORT OF INDEPENDENT AUDITORS
AND CONSOLIDATED FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION

LOS ALAMOS NATIONAL LABORATORY FOUNDATION

December 31, 2021 and 2020

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Report of Independent Auditors

The Board of Directors
Los Alamos National Laboratory Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Los Alamos National Laboratory Foundation, which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Los Alamos National Laboratory Foundation as of December 31, 2021 and 2020, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Los Alamos National Laboratory Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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 audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Los Alamos National Laboratory 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 Los Alamos National Laboratory Foundation's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in the table of contents is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Mess Adams LLP

Albuquerque, New Mexico
July 12, 2022

Los Alamos National Laboratory Foundation
Consolidated Statements of Financial Position

	December 31,	
ASSETS	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,322,367	\$ 1,425,159
Investments	6,213,861	6,086,472
Accounts receivable, net	286,348	348,799
Prepaid expenses	5,918	857
Total current assets	7,828,494	7,861,287
NONCURRENT ASSETS		
Investments - long term	112,248,706	95,496,573
Property and equipment, net	1,129,791	1,058,136
Total noncurrent assets	113,378,497	96,554,709
TOTAL ASSETS	\$ 121,206,991	\$ 104,415,996
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 554,679	\$ 355,161
Grants payable	39,400	1,556
Deferred revenue	-	250,000
Current portion of notes payable	75,772	72,765
Total current liabilities	669,851	679,482
LONG-TERM LIABILITIES		
Notes payable, less current portion	730,202	806,088
Total long-term liabilities	1,400,053	1,485,570
NET ASSETS		
Without donor restriction	3,689,739	3,356,756
Donor restricted	116,117,199	99,573,670
Total net assets	119,806,938	102,930,426
TOTAL LIABILITIES AND NET ASSETS	\$ 121,206,991	\$ 104,415,996

See accompanying notes to these consolidated financial statements.

Los Alamos National Laboratory Foundation
Consolidated Statements of Activities
Year Ended December 31, 2021

	Without Donor Restriction	Donor Restricted	Total
SUPPORT AND REVENUE			
Contributions	\$ 14,093	\$ 1,104,070	\$ 1,118,163
Grants and contracts	48,914	1,096,704	1,145,618
Net investment income	2,924,423	18,523,837	21,448,260
Other income	37,286	298,229	335,515
Net assets released from restrictions	4,479,311	(4,479,311)	-
	<u>7,504,027</u>	<u>16,543,529</u>	<u>24,047,556</u>
EXPENSES			
Program			
Inquiry science education consortium & K-12	1,769,271	-	1,769,271
Program operating expenses	588,107	-	588,107
Early childhood	637,017	-	637,017
Scholarships	930,518	-	930,518
Triad Scholars, STEM, and Teachers Initiatives	627,000	-	627,000
Educational enrichment grants	760,000	-	760,000
Educational outreach grants	218,170	-	218,170
Community outreach grants	867,123	-	867,123
	<u>6,397,206</u>	<u>-</u>	<u>6,397,206</u>
Total program expenses	6,397,206	-	6,397,206
General and administrative	592,873	-	592,873
Fundraising	180,965	-	180,965
	<u>7,171,044</u>	<u>-</u>	<u>7,171,044</u>
Total expenses	7,171,044	-	7,171,044
CHANGE IN NET ASSETS	332,983	16,543,529	16,876,512
NET ASSETS			
Beginning of year	<u>3,356,756</u>	<u>99,573,670</u>	<u>102,930,426</u>
End of year	<u>\$ 3,689,739</u>	<u>\$116,117,199</u>	<u>\$119,806,938</u>

See accompanying notes to these consolidated financial statements.

Los Alamos National Laboratory Foundation
Consolidated Statements of Activities
Year Ended December 31, 2020

	Without Donor Restriction	Donor Restricted	Total
SUPPORT AND REVENUE			
Contributions	\$ 35,944	\$ 602,657	\$ 638,601
Grants and contracts	95,139	1,359,620	1,454,759
Net investment income	2,459,103	10,952,183	13,411,286
Other income	4,651	39,292	43,943
Net assets released from restrictions	4,006,212	(4,006,212)	-
	<u>6,601,049</u>	<u>8,947,540</u>	<u>15,548,589</u>
EXPENSES			
Program			
Inquiry science education consortium & K-12	1,298,865	-	1,298,865
Program operating expenses	664,298	-	664,298
Early childhood	480,638	-	480,638
Scholarships	656,813	-	656,813
Triad Scholars, STEM, and Teachers Initiatives	611,598	-	611,598
Educational enrichment grants	803,153	-	803,153
Educational outreach grants	152,000	-	152,000
Community outreach grants	210,000	-	210,000
	<u>4,877,365</u>	<u>-</u>	<u>4,877,365</u>
General and administrative	557,905	-	557,905
Fundraising	168,682	-	168,682
	<u>5,603,952</u>	<u>-</u>	<u>5,603,952</u>
CHANGE IN NET ASSETS	997,097	8,947,540	9,944,637
NET ASSETS			
Beginning of year	<u>2,359,659</u>	<u>90,626,130</u>	<u>92,985,789</u>
End of year	<u>\$ 3,356,756</u>	<u>\$ 99,573,670</u>	<u>\$102,930,426</u>

See accompanying notes to these consolidated financial statements.

Los Alamos National Laboratory Foundation Consolidated Statements of Functional Expenses

Year Ended December 31, 2021

	Program Activities								Supporting Activities			Total Expense
	Inquiry Science Education Consortium & K-12	Program Operating Expenses	Early Childhood	Scholarships	Triad Scholars, STEM, and Teachers	Educational Enrichment Grants	Educational Outreach Grants	Community Outreach Grants	Total Program Expenses	General and Administrative Support	Fundraising	
	Salaries wages and benefits	\$ 921,382	\$ 367,713	\$ 303,164	\$ 189,005	\$ 263,735	\$ -	\$ -	\$ -	\$ 2,044,999	\$ 434,470	
Professional services	83,736	129,683	253,286	3,374	206,074	-	-	-	676,153	18,629	5,825	700,607
Public relations	34,932	1,711	13,399	32,504	2,635	-	-	-	85,181	39,358	21,507	146,046
Travel and training	10,930	-	2,721	244	-	-	-	-	13,895	11,023	219	25,137
Grants	-	-	42,750	-	23,414	760,000	218,170	867,123	1,911,457	-	-	1,911,457
Scholarship payout	-	-	-	683,563	115,324	-	-	-	798,887	-	-	798,887
Teacher awards	-	-	-	-	-	-	-	-	-	-	-	-
STEM Challenge	145,500	-	-	-	-	-	-	-	145,500	-	-	145,500
Science Resource Center Operations	499,016	-	-	-	-	-	-	-	499,016	-	-	499,016
Office expenses	72,722	89,000	21,697	21,828	15,818	-	-	-	221,065	51,854	15,047	287,966
Total operating expenses	1,768,218	588,107	637,017	930,518	627,000	760,000	218,170	867,123	6,396,153	555,334	180,965	7,132,452
Depreciation	1,053	-	-	-	-	-	-	-	1,053	37,539	-	38,592
Total expenses	\$ 1,769,271	\$ 588,107	\$ 637,017	\$ 930,518	\$ 627,000	\$ 760,000	\$ 218,170	\$ 867,123	\$ 6,397,206	\$ 592,873	\$ 180,965	\$ 7,171,044

Year Ended December 31, 2020

	Program Activities								Supporting Activities			Total Expense
	Inquiry Science Education Consortium & K-12	Program Operating Expenses	Early Childhood	Scholarships	Triad Scholars, STEM, and Teachers	Educational Enrichment Grants	Educational Outreach Grants	Community Outreach Grants	Total Program Expenses	General and Administrative Support	Fundraising	
	Salaries wages and benefits	\$ 773,460	\$ 488,707	\$ 291,251	\$ -	\$ 322,212	\$ -	\$ -	\$ -	\$ 1,875,630	\$ 412,234	
Professional services	58,574	39,666	162,275	-	121,020	-	-	-	381,535	37,867	10,386	429,788
Public relations	22,757	28,918	13,032	-	3,443	-	-	-	68,150	27,580	5,975	101,705
Travel and training	8,148	6,329	2,721	-	210	-	-	-	17,408	9,729	913	28,050
Grants	-	-	2,000	-	30,750	803,153	145,000	210,000	1,190,903	-	-	1,190,903
Scholarship payout	-	-	-	656,813	96,250	-	-	-	753,063	-	-	753,063
Teacher awards	-	-	-	-	-	-	7,000	-	7,000	-	-	7,000
STEM Challenge	62,500	-	-	-	20,000	-	-	-	82,500	-	-	82,500
Science Resource Center Operations	311,839	-	-	-	-	-	-	-	311,839	-	-	311,839
Office expenses	60,534	100,678	9,359	-	17,713	-	-	-	188,284	35,104	16,572	239,960
Total operating expenses	1,297,812	664,298	480,638	656,813	611,598	803,153	152,000	210,000	4,876,312	522,514	168,682	5,567,508
Depreciation	1,053	-	-	-	-	-	-	-	1,053	35,391	-	36,444
Total expenses	\$ 1,298,865	\$ 664,298	\$ 480,638	\$ 656,813	\$ 611,598	\$ 803,153	\$ 152,000	\$ 210,000	\$ 4,877,365	\$ 557,905	\$ 168,682	\$ 5,603,952

See accompanying notes to these consolidated financial statements.

Los Alamos National Laboratory Foundation
Consolidated Statements of Cash Flows

	Years Ended December 31,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 16,876,512	\$ 9,944,637
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation expense	38,592	36,444
Realized and unrealized gain on investments	(20,735,973)	(12,976,001)
Effects of changes in operating assets and liabilities		
Accounts receivable, net	62,451	(33,271)
Prepaid expenses	(5,061)	18
Accounts payable and accrued expenses	199,518	(5,504)
Grants payable	37,844	(222,937)
Deferred revenue	(250,000)	250,000
	<u>(3,776,117)</u>	<u>(3,006,614)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvested interest, dividends, and capital gains	(592,148)	(333,099)
Proceeds from sale of investments	4,448,599	3,581,407
Purchases of property and equipment	(110,247)	-
	<u>3,746,204</u>	<u>3,248,308</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes payable principal paid	(72,879)	(25,418)
	<u>(72,879)</u>	<u>(25,418)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(102,792)	216,276
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,425,159</u>	<u>1,208,883</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 1,322,367</u>	<u>\$ 1,425,159</u>
SUPPLEMENTAL DISCLOSURES OF CASH		
Cash paid for interest	<u>\$ 34,184</u>	<u>\$ 44,775</u>

See accompanying notes to these consolidated financial statements.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 1 – Definition of Reporting Entity

Los Alamos National Laboratory Foundation (the Foundation) is a New Mexico nonprofit corporation, incorporated on April 17, 1997, for charitable, educational, and other lawful purposes consistent with the New Mexico Nonprofit Corporation Act. In particular, the Foundation is organized for the purpose of receiving and administering gifts and grants dedicated to support charitable and educational public service activities in Northern New Mexico. In May of 2007, the Foundation formed a single member for-profit company, Building Equity, LLC (the LLC). The purpose of the LLC is to construct, own, and operate the office building occupied by the Foundation. The building was completed in 2008. For tax purposes, the LLC is disregarded, and all of its activities are reported on the Foundation's annual information return (Internal Revenue Service (IRS) Form 990).

Note 2 – Summary of Significant Accounting Policies

The Foundation's accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to nonprofit organizations. The following paragraphs describe the basis of presentation and summarize the more significant accounting policies.

Use of Estimates in Preparing Financial Statements

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates and assumptions made by management include the allowance for uncollectible receivables, useful lives of property and equipment, fair value measurements of investments, and functional allocation of expenses.

Basis of Consolidation

As described above, the accompanying consolidated financial statements include the accounts of the Foundation and the LLC. All significant balances and transactions between the entities have been eliminated.

Basis of Accounting

These consolidated financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into two classes of net assets – net assets without donor restrictions, and net assets with donor restrictions:

Net Assets Without Donor Restrictions – are net assets that are not subject to donor-imposed stipulations.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Donor Restricted Net Assets – are subject to explicit restrictions imposed by the donor on the expenditure of contributions or income and gains on contributed assets. These net assets may have stipulations by the donor to be maintained in perpetuity, such as an endowment, or the restrictions may expire due to the passage of time or the occurrence of expenditures that fulfill the restrictions. Net assets with donor restrictions also include accumulated net investment income earned by the net assets held in perpetuity.

Concentration of Credit Risk

The Foundation's financial instruments that are exposed to concentrations of credit risk primarily consist of cash and investments. During 2021 and 2020, the Foundation's cash accounts, including all noninterest-bearing transaction accounts, were at an institution insured by the Federal Deposit Insurance Corporation (FDIC) up to the standard maximum deposit insurance amount of \$250,000, for each deposit insurance ownership category. Periodically throughout 2021 and 2020, the Foundation has maintained cash balances in excess of insured limits. At December 31, 2021, the Foundation's cash held in checking accounts that exceeded the insured limit was \$0. At December 31, 2020, the Foundation's cash held in checking accounts that exceeded the insured limit was \$125,399.

Cash and Cash Equivalents

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

Accounts Receivable, net

Accounts receivable, net include unconditional promises to give and unconditional pledges to the Foundation that have not been received by the consolidated statement of financial position date. The carrying amount of accounts receivable, net is reduced by a valuation allowance based on the Foundation's estimates of uncollectible amounts. No allowance for uncollectible amounts was reported as of December 31, 2021 and 2020, as the Foundation believes that all accounts receivable are fully collectible.

Unconditional promises to give and unconditional pledges are recognized as revenue in the period received and are classified as net assets with donor restrictions or net assets without donor restrictions based upon the existence or absence of donor-imposed restrictions. Contributions with donor-imposed stipulations are reported as net assets with donor restrictions and are reclassified to net assets without donor restrictions when requirements are met.

Investments

Investments are reported at fair value, which results in unrealized gains and losses being recognized as fair value changes. Investments are held in a General Endowment Pool by the University of California.

Realized and unrealized gains and losses are recognized in the period in which they occur and are recorded in the consolidated statements of activities. Investment income is presented net of investment management fees. Investment income is pooled and allocated to net assets without donor restrictions and net assets with donor restrictions balances in proportion to their average monthly equity in the pooled investment portfolio.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment with costs in excess of \$5,000 are capitalized. Purchased equipment is stated at cost. Contributed equipment is reflected at estimated fair value at the date of contribution. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the respective assets, which range from 3 to 39 years.

Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed

The Foundation reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the assets. Assets to be disposed of, if any, are reported at the lower of the carrying amount or the fair value less costs to sell. As of December 31, 2021 and 2020, the Foundation recorded no impairments.

Compensated Absences

All eligible employees accrue vacation time at a rate of 10 to 16.67 hours per month. The maximum amount of vacation accrued by any employee is 240 hours. A liability for compensated absences has been recorded and is included in accrued expenses.

In-Kind Donations

The Foundation receives in-kind donations of stocks, materials, and services. Donations of stocks, materials, and services are recorded as contributions at their estimated fair value at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. The Foundation did not receive contributed services during the years ended December 31, 2021 and 2020.

Grants Awarded

Grants awarded by the Foundation are charged to operations and recorded as liabilities upon approval by the Foundation's Board of Directors. The Foundation has no grant payable that will extend beyond the subsequent year.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Income Taxes

The Foundation has adopted the provisions of ASC 740-10, *Accounting for Uncertainty in Income Taxes*. The Foundation recognizes the tax (benefit) expense from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. Any such tax (benefit) expense is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Foundation had no unrecognized tax benefits at December 31, 2021 or 2020. The Foundation files an exempt organization return with the Internal Revenue Service (IRS). It is not a “private foundation” for tax purposes. The Foundation had no taxable unrelated business income for the years ended December 31, 2021 and 2020. Accordingly, a provision for income taxes has not been established in the accompanying consolidated financial statements.

Expenses by Both Nature and Function

The Foundation allocates expenses not applicable to a single activity to the appropriate activities based on the estimated percentage of time employees spend on each of the programs. Depreciation is allocated based on square footage. Most all expenses are recorded directly to the function to which they relate based on the actual personnel assigned and vendor expenses paid.

Recent Accounting Pronouncements

Accounting Standards Update (ASU) 2016-02 and 2020-05 – Leases: Changes the way lessees will recognize leases as they will recognize most leases on-balance sheet and will increase reported assets and liabilities. Lessor accounting remains substantially similar to current U.S. GAAP. ASU 2016-02 is effective for annual periods beginning after December 15, 2021. The ASU mandates a modified retrospective transition method for all entities. Management is currently evaluating the impact of this ASU but does not anticipate a significant impact to the consolidated financial statements upon adoption.

Subsequent Events Evaluation

Subsequent events are events or transactions that occur after the consolidated statement of financial position date but before the consolidated financial statements are issued. The Foundation recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statement of financial position, including the estimates inherent in the process of preparing the consolidated financial statements. The Foundation’s consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated statement of financial position but arose after the consolidated statement of financial position date and before consolidated financial statements are available to be issued.

The Foundation has evaluated subsequent events through July 12, 2022, which is the date the consolidated financial statements were available to be issued.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements in order to maintain consistency and comparability between periods presented. There have been no changes to net assets or changes in net assets as of December 31, 2021.

Note 3 – Fair Value of Financial Instruments

The Foundation follows Statement ASC 820-10, *Fair Value Measurements*, which provides a framework for measuring fair value under GAAP and expands disclosures about fair value measurement. ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820-10 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820-10 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels. The three levels defined by the ASC 820-10 hierarchy are as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. This includes quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data.

Level 3 – Inputs are unobservable for the asset or liability. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The following is the fair value of investments at December 31:

	2021	2020
General endowment pool managed by the University of California	\$ 112,248,706	\$ 95,496,573
General non-endowment pool managed by the University of California	6,213,861	6,086,472
Total	\$ 118,462,567	\$ 101,583,045

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 3 – Fair Value of Financial Instruments (continued)

Net Asset Value (NAV)

Investments whose fair value is measured at NAV are excluded from the fair value hierarchy. Investments measured at NAV include commingled funds which are invested in the General Endowment Pool (GEP) managed by the University of California.

General Endowment Pool

The General Endowment Pool managed by the University of California is invested in the following at December 31:

	2021	2020
Public equity	45.50%	49.70%
Cash and fixed income	7.80%	6.50%
Absolute return	8.20%	17.90%
Private equity	25.70%	15.50%
Real estate and real assets	12.80%	10.40%
Total	100.00%	100.00%

As of December 31, 2021 and 2020, the entirety of the Foundation's investment balances of \$118,462,567 and \$101,583,045, respectively, were measured at net asset value.

Net investment income consisted of the following for the years ended December 31:

	2021	2020
Interest and dividends on long-term investments	\$ 712,287	\$ 435,285
Realized gain on investments, net	3,422,737	2,498,051
Unrealized gain on investments, net	17,313,236	10,477,950
Total	\$ 21,448,260	\$ 13,411,286

Los Alamos National Laboratory Foundation
Notes to Consolidated Financial Statements

Note 4 – Accounts Receivable, Net

Accounts receivable, net consisted of the following at December 31:

	<u>2021</u>	<u>2020</u>
Scholarship program pledges	\$ 108,292	\$ 104,577
Other receivables	<u>178,056</u>	<u>244,222</u>
Total	<u>\$ 286,348</u>	<u>\$ 348,799</u>

Note 5 – Property and Equipment

Property and equipment consisted of the following at December 31:

	<u>2021</u>	<u>2020</u>
Land	\$ 250,711	\$ 165,711
Building and improvements	1,308,813	1,308,813
Furniture	240,599	215,352
Computers, equipment, and software	407,751	407,751
Vehicle	<u>25,333</u>	<u>25,333</u>
	2,233,207	2,122,960
Less accumulated depreciation	<u>(1,103,416)</u>	<u>(1,064,824)</u>
Total	<u>\$ 1,129,791</u>	<u>\$ 1,058,136</u>

Depreciation expense for the years ended December 31, 2021 and 2020 was \$38,592 and \$36,444, respectively.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 6 – Notes Payable

Notes payable of the Foundation consisted of the following at December 31:

	2021	2020
Mortgage payable to Century Bank, payable in monthly installments of \$8,922, including interest of 4.00%, maturing December 2030. The note is secured by real property.	\$ 805,974	\$ 878,853
Less current portion	75,772	72,765
Total	\$ 730,202	\$ 806,088

The future scheduled maturities of debt are as follows for the years ended December 31:

2022	\$ 75,772
2023	78,902
2024	82,089
2025	85,554
2026	89,089
Thereafter	394,568
Total	\$ 805,974

Los Alamos National Laboratory Foundation
Notes to Consolidated Financial Statements

Note 7 – Donor Restricted Net Assets

	2021		2020	
	Restricted by Purpose or Time	Restricted in Perpetuity	Restricted by Purpose or Time	Restricted in Perpetuity
Educational enrichment	\$ 64,748,455	\$ 41,444,726	\$ 49,536,378	\$ 41,444,726
Scholarships	3,816,508	1,450,960	3,372,795	1,395,161
Domenici endowment	1,069,349	796,755	794,870	790,636
Named endowments	309,793	1,261,217	146,487	688,998
Leadership endowment	268,929	384,265	175,647	373,202
Early childhood	417,212	5,000	776,368	-
Triad grants	144,030	-	78,402	-
	<u>\$ 70,774,276</u>	<u>\$ 45,342,923</u>	<u>\$ 54,880,947</u>	<u>\$ 44,692,723</u>
Total	<u>\$ 70,774,276</u>	<u>\$ 45,342,923</u>	<u>\$ 54,880,947</u>	<u>\$ 44,692,723</u>

All of the scholarships awarded by the Foundation are one to four-year commitments that are conditional on the student maintaining a grade point average of 3.0. These scholarships will be recognized each year if the conditions are met. At December 31, 2021, conditional scholarship awards comprised \$1,086,250 of the \$5,351,823 restricted by purpose or time for scholarships. At December 31, 2020, conditional scholarship awards comprised \$1,078,750 of the \$4,525,237 restricted by purpose or time for scholarships.

Note 8 – Endowment Funds

The Foundation maintains ten endowment funds, all of which are governed by donor-imposed restrictions, as follows:

Educational Enrichment Endowment

The purpose of this endowment is to support public school children in the vicinity of Los Alamos National Laboratory. In addition, a portion of the endowment earnings may support the operations of the Foundation. During 2021 and 2020, the disbursement of funds was focused in the areas of inquiry science education, as well as funding educational projects benefiting K-12 public education students.

Scholarship Endowment, Domenici Endowment, and Named Endowments

These endowments all provide competitively awarded scholarships to college students in one to four-year commitments.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 8 – Endowment Funds (continued)

As required by GAAP, net assets associated with endowments are classified and reported based on donor-imposed restrictions. The Foundation has no board-designated endowment funds. The Foundation has adopted investment and spending policies based on the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). According to the Foundation's interpretation of UPMIFA, and in accordance with donor restrictions, contributions to the endowment funds are classified as with donor restricted net assets which are restricted in perpetuity. Donor restricted net assets are restricted in perpetuity net assets are valued at the original value of all gifts donated to the endowments.

The historic dollar value of endowment contributions received must be maintained inviolate. Income earned from endowment investments is classified with donor restriction net assets but restricted by purpose or time based upon the donor-imposed restrictions.

When a donor restriction is met, the net assets are reclassified to net assets without donor restrictions. Donor restricted endowment earnings that are used to support the operations of the Foundation are reclassified to net assets without donor restrictions upon board approval of the annual operating budget.

The composition of endowment net assets by type of fund consisted of the following at December 31:

	2021		
	Restricted by Time or Purpose	Restricted in Perpetuity	Total
Donor-restricted funds	<u>\$ 67,859,705</u>	<u>\$ 45,342,923</u>	<u>\$ 113,202,628</u>
	2020		
	Restricted by Time or Purpose	Restricted in Perpetuity	Total
Donor-restricted funds	<u>\$ 51,632,015</u>	<u>\$ 44,692,723</u>	<u>\$ 96,324,738</u>

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 8 – Endowment Funds (continued)

Interpretation of Relevant Law

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. Consequently, the Foundation classifies net assets restricted in perpetuity as:

- 1) the original value of gifts donated to the permanent endowment; and
- 2) the original value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted endowment fund not classified as restricted in perpetuity is classified as net assets restricted by time or purpose until those amounts are appropriated for expenditure by the Foundation's Board. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to spend:

1. The duration and preservation of the fund
2. The purpose of the 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 Foundation
7. The investment policies of the Foundation

The following are changes in endowment and similar net assets for the years ended December 31:

	2021		Total
	Restricted by Time or Purpose	Restricted in Perpetuity	
Endowment net assets, December 31, 2020	\$ 51,632,015	\$ 44,692,723	\$ 96,324,738
Investment return			
Investment gain	18,523,837	-	18,523,837
Contributions	51,219	650,200	701,419
Appropriations of endowment Assets for expenditures	(2,347,366)	-	(2,347,366)
Endowment net assets, December 31, 2021	<u>\$ 67,859,705</u>	<u>\$ 45,342,923</u>	<u>\$ 113,202,628</u>

Los Alamos National Laboratory Foundation
Notes to Consolidated Financial Statements

Note 8 – Endowment Funds (continued)

	2020		
	<u>Restricted by Time or Purpose</u>	<u>Restricted in Perpetuity</u>	<u>Total</u>
Endowment net assets, December 31, 2019	\$ 43,052,062	\$ 44,496,807	\$ 87,548,869
Investment return			
Investment gain	10,952,183	-	10,952,183
Contributions	5,292	195,916	201,208
Appropriations of endowment Assets for expenditures	<u>(2,377,522)</u>	<u>-</u>	<u>(2,377,522)</u>
Endowment net assets, December 31, 2020	<u>\$ 51,632,015</u>	<u>\$ 44,692,723</u>	<u>\$ 96,324,738</u>

Fund 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 or UPMIFA requires the Foundation to retain as a fund of perpetual duration. These deficiencies can result from unfavorable market fluctuations and continued appropriation for certain programs that was deemed prudent by the governing board. No deficiencies of this nature are reported at December 31, 2021 or 2020.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by the endowments while not eroding the future purchasing power of the endowment assets. Endowment assets include donor contributions that the Foundation must hold in perpetuity, plus earnings restricted by time or purpose that have been reinvested. Under the board-approved investment policy, endowment assets are invested in a manner intended to produce a rate of return in excess of the spending rate plus the rate of inflation, while assuming a moderate level of investment risk.

Strategies Employed for Achieving Objectives

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's investment objective is to diversify investments to maximize long-term growth of assets within prudent risk constraints. The Foundation has elected to invest in the University of California (UC) GEP and Short-Term Investment Pool (STIP). The GEP is an investment pool in which a large number of university-affiliated endowments participate in order to benefit from diversification and economies of scale. The GEP is a balanced portfolio and the primary investment vehicle offered by the UC for endowed gift funds. The investment policy of the fund is established by the Regents of the University and carried out by the University's Chief Investment Officer.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 8 – Endowment Funds (continued)

The GEP includes absolute return hedge funds. Investments in these funds are valued by the University of California at the Foundation's pro rata interest in the GEP. The STIP investments are investment held at net asset value. Investments in these funds consist of approximately 0.91% and 0.94% of the entire portfolio at December 31, 2021 and 2020, respectively. Investment fees are eight basis points, netted from income earned before it is distributed. For information on the University of California's endowment investment policy, holdings, unit values and the annual endowment report, please visit www.ucop.edu/treasurer.

Spending Policy and How Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for annual distribution between 3% and 5% of the five-year weighted average market value of endowment assets. The decision to use a five-year average allows the spending stream from the Foundation to be less volatile than the underlying market, and thereby provides more steady and predictable funding to programs. In establishing this policy, the Foundation considered the long term expected return on its endowment and the accumulated earnings in the endowment accounts.

Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowments to grow. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Note 9 – Contributions

Contributions consisted of the following for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Individuals and business		
Scholarship program	\$ 414,277	\$ 406,742
Scholarship endowments	650,199	195,915
General and other	<u>53,687</u>	<u>35,944</u>
 Total	 <u>\$ 1,118,163</u>	 <u>\$ 638,601</u>

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 10 – Grants and Contracts

Grants and contracts consisted of the following for the years ended December 31:

	2021	2020
W. K. Kellogg Foundation	\$ 250,000	\$ 694,189
Batelle Memorial Institute	233,333	200,000
Regents of the University of California	233,333	200,000
Texas A&M University Systems	233,333	200,000
STEM Challenge	115,000	90,000
Brindle Foundation	42,000	42,000
Anonymous	25,000	25,000
Other	13,619	3,570
Total	\$ 1,145,618	\$ 1,454,759

Note 11 – Operating Leases

The Foundation leases office space from Building Equity, LLC. The lease is for five years with an automatic renewal for an additional five years. The rent income and expense has been eliminated from the consolidated financial statements through the consolidating entries.

The Foundation leases a warehouse facility for storage of its Inquiry Science Education Consortium supplies. Total lease cost for this space for the years ended December 31, 2021 and 2020 was \$68,400 for each year.

The Foundation leases office equipment under long-term operating lease agreements. Total lease costs for this office equipment for the years ended December 31, 2021 and 2020 was \$10,396 and \$8,442, respectively.

The Foundation leases office space in Santa Fe. The lease was signed November 1, 2021, with commencement date of January 1, 2022. The term is for 24 months, expiring December 31, 2023. Monthly rent payments are \$2,598. Operating Expenses are variable and allocated monthly, estimated at \$725 at the time of signing. First payment due consists of base rent, operating expenses, and security deposit, for a total of \$5,920.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 11 – Operating Leases (continued)

The minimum future rental payments under these leases are as follows for the years ended December 31:

2022	\$ 78,469
2023	47,371
2024	7,501
2025	7,501
2026	<u>625</u>
Total	<u>\$ 141,467</u>

Note 12 – Retirement Plan

The Foundation has a 401(k) plan. All employees who work for 12 consecutive months and at least 1,000 hours are eligible for a discretionary employer-paid benefit. For both 2021 and 2020, the benefit was 5% of annual compensation. The retirement expense was \$91,209 and \$75,690 for the years ended December 31, 2021 and 2020, respectively.

Note 13 – Advertising and Interest Expense

The Foundation uses advertising to promote its programs among the public it serves. Advertising and interest expense are expensed as incurred. The Foundation included the following in the consolidated statement of activities expenses for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Advertising	<u>\$ 23,425</u>	<u>\$ 77,554</u>
Interest	<u>\$ 34,184</u>	<u>\$ 44,775</u>

Note 14 – Related Party Transactions

Members of the Board and employees of the Foundation provide financial assistance to the Foundation through restricted and unrestricted support. Included in contributions is \$51,084 and \$25,000 from members of the Board and employees for the years ended December 31, 2021 and 2020, respectively.

Los Alamos National Laboratory Foundation

Notes to Consolidated Financial Statements

Note 15 – Liquidity and Availability

Financial assets available for general expenditure within one year of the consolidated statement of financial position date comprise the following:

	2021	2020
Financial Assets as of December 31		
Cash and cash equivalents	\$ 1,322,367	\$ 1,425,159
Investments	118,462,567	101,583,045
Accounts receivables	286,348	348,799
Total financial assets	120,071,282	103,357,003
Less those unavailable for general expenditure within one year due to		
Scholarship commitments greater than one year	(518,750)	(562,250)
Accounts receivables to be collected in more than one year	-	(23,000)
Restrictions by purpose or time subject to appropriation beyond one year	(70,255,526)	(54,318,697)
Add Allowable Amount as per Endowment Spending Policy	4,144,927	3,966,971
Add Amount released from restriction	1,990,000	1,884,697
Perpetual endowments	(45,342,923)	(44,692,723)
Financial assets available to meet cash needs for general expenditures within one year	\$ 10,089,010	\$ 9,612,001

In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation has a cash management policy to hold cash in the STIP account with UC to cover approximately three months of operating expenses. The Foundation can draw on the endowment quarterly up to the spending policy, which was 4.95% for the years ended December 31, 2021 and 2020. The Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

Note 16 – Contingency

The Foundation has received funds from federal agencies in the past. These funds are subject to audit and adjustment by the granting agency. Any disallowed amounts resulting from these audits would be required to be refunded. Management does not believe any disallowed amounts would be material.

Note 17 – Subsequent Events

On March 7, 2022, Building Equity, LLC purchased a building for use as additional office space for the Foundation. To finance the purchase, the LLC executed a mortgage in the amount of \$525,000, payable in monthly installments of \$3,198, maturing March 2032.

Supplementary Information

Los Alamos National Laboratory Foundation
Consolidating Statements of Financial Position
December 31, 2021

	Foundation	Building Equity, LLC	Elimination Entries	Consolidated Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,292,118	\$ 30,249	\$ -	\$ 1,322,367
Investments	6,213,861	-	-	6,213,861
Accounts receivable, net	250,790	35,558	-	286,348
Due from LLC	285,470	-	(285,470)	-
Prepaid expenses	5,918	-	-	5,918
	<u>8,048,157</u>	<u>65,807</u>	<u>(285,470)</u>	<u>7,828,494</u>
NONCURRENT ASSETS				
Investments - long term	112,248,706	-	-	112,248,706
Property and equipment, net	18,611	1,111,180	-	1,129,791
Investment in LLC	84,782	-	(84,782)	-
	<u>112,352,099</u>	<u>1,111,180</u>	<u>(84,782)</u>	<u>113,378,497</u>
TOTAL ASSETS	<u>\$ 120,400,256</u>	<u>\$ 1,176,987</u>	<u>\$ (370,252)</u>	<u>\$ 121,206,991</u>
CURRENT LIABILITIES				
Accounts payable and accrued expenses	\$ 553,918	\$ 761	\$ -	\$ 554,679
Grants payable, net	39,400	-	-	39,400
Due to Foundation	-	285,470	(285,470)	-
Current portion of notes payable	-	75,772	-	75,772
	<u>593,318</u>	<u>362,003</u>	<u>(285,470)</u>	<u>669,851</u>
LONG-TERM LIABILITIES				
Notes payable, less current portion	-	730,202	-	730,202
	<u>593,318</u>	<u>1,092,205</u>	<u>(285,470)</u>	<u>1,400,053</u>
NET ASSETS	<u>119,806,938</u>	<u>84,782</u>	<u>(84,782)</u>	<u>119,806,938</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 120,400,256</u>	<u>\$ 1,176,987</u>	<u>\$ (370,252)</u>	<u>\$ 121,206,991</u>

Los Alamos National Laboratory Foundation
Consolidating Statements of Financial Position
December 31, 2020

	Foundation	Building Equity, LLC	Elimination Entries	Consolidated Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,399,536	\$ 25,623	\$ -	\$ 1,425,159
Investments	6,086,472	-	-	6,086,472
Accounts receivable, net	348,799	-	-	348,799
Due from LLC	100,337	-	(100,337)	-
Prepaid expenses	857	-	-	857
	<u>7,936,001</u>	<u>25,623</u>	<u>(100,337)</u>	<u>7,861,287</u>
NONCURRENT ASSETS				
Investments - long term	95,496,573	-	-	95,496,573
Property and equipment, net	8,286	1,049,850	-	1,058,136
Investment in LLC	95,269	-	(95,269)	-
	<u>95,600,128</u>	<u>1,049,850</u>	<u>(95,269)</u>	<u>96,554,709</u>
TOTAL ASSETS	<u>\$ 103,536,129</u>	<u>\$ 1,075,473</u>	<u>\$ (195,606)</u>	<u>\$ 104,415,996</u>
CURRENT LIABILITIES				
Accounts payable and accrued expenses	\$ 354,147	\$ 1,014	\$ -	\$ 355,161
Grants payable, net	1,556	-	-	1,556
Deferred revenue	250,000	-	-	250,000
Due to Foundation	-	100,337	(100,337)	-
Current portion of notes payable	-	72,765	-	72,765
	<u>605,703</u>	<u>174,116</u>	<u>(100,337)</u>	<u>679,482</u>
LONG-TERM LIABILITIES				
Notes payable, less current portion	-	806,088	-	806,088
	<u>605,703</u>	<u>980,204</u>	<u>(100,337)</u>	<u>1,485,570</u>
NET ASSETS	<u>102,930,426</u>	<u>95,269</u>	<u>(95,269)</u>	<u>102,930,426</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 103,536,129</u>	<u>\$ 1,075,473</u>	<u>\$ (195,606)</u>	<u>\$ 104,415,996</u>

Los Alamos National Laboratory Foundation
Consolidating Statements of Activities
Year Ended December 31, 2021

	Foundation	Building Equity, LLC	Elimination Entries	Consolidated Total
SUPPORT AND REVENUE				
Contributions	\$ 1,118,163	\$ -	\$ -	\$ 1,118,163
Grants and contracts	1,145,618	-	-	1,145,618
Net investment income	21,448,260	-	-	21,448,260
Other income	325,028	92,620	(82,133)	335,515
	<u>24,037,069</u>	<u>92,620</u>	<u>(82,133)</u>	<u>24,047,556</u>
EXPENSES				
Program				
Inquiry science education consortium	1,769,271	-	-	1,769,271
Program operating expenses	588,107	-	-	588,107
Early childhood	637,017	-	-	637,017
Scholarships	930,518	-	-	930,518
Triad Scholars, STEM, and Teachers Initiatives	627,000	-	-	627,000
Educational enrichment grants	760,000	-	-	760,000
Educational outreach grants	218,170	-	-	218,170
Community outreach grants	867,123	-	-	867,123
	<u>6,397,206</u>	<u>-</u>	<u>-</u>	<u>6,397,206</u>
General and administrative	582,386	103,107	(92,620)	592,873
Fundraising	180,965	-	-	180,965
	<u>7,160,557</u>	<u>103,107</u>	<u>(92,620)</u>	<u>7,171,044</u>
CHANGES IN NET ASSETS	16,876,512	(10,487)	10,487	16,876,512
NET ASSETS				
Beginning of year	102,930,426	95,269	(95,269)	102,930,426
End of year	<u>\$ 119,806,938</u>	<u>\$ 84,782</u>	<u>\$ (84,782)</u>	<u>\$ 119,806,938</u>

Los Alamos National Laboratory Foundation
Consolidating Statements of Activities
Year Ended December 31, 2020

	Foundation	Building Equity, LLC	Elimination Entries	Consolidated Total
SUPPORT AND REVENUE				
Contributions	\$ 638,601	\$ -	\$ -	\$ 638,601
Grants and contracts	1,454,759	-	-	1,454,759
Net investment income	13,411,286	-	-	13,411,286
Other income	27,663	92,620	(76,340)	43,943
	<u>15,532,309</u>	<u>92,620</u>	<u>(76,340)</u>	<u>15,548,589</u>
EXPENSES				
Program				
Inquiry science education consortium	1,298,865	-	-	1,298,865
Program operating expenses	664,298	-	-	664,298
Early childhood	480,638	-	-	480,638
Scholarships	656,813	-	-	656,813
Triad Scholars, STEM, and Teachers Initiatives	611,598	-	-	611,598
Educational enrichment grants	803,153	-	-	803,153
Educational outreach grants	152,000	-	-	152,000
Community outreach grants	210,000	-	-	210,000
	<u>4,877,365</u>	<u>-</u>	<u>-</u>	<u>4,877,365</u>
General and administrative	541,625	108,900	(92,620)	557,905
Fundraising	168,682	-	-	168,682
	<u>5,587,672</u>	<u>108,900</u>	<u>(92,620)</u>	<u>5,603,952</u>
CHANGES IN NET ASSETS	9,944,637	(16,280)	16,280	9,944,637
NET ASSETS				
Beginning of year	92,985,789	111,549	(111,549)	92,985,789
End of year	<u>\$ 102,930,426</u>	<u>\$ 95,269</u>	<u>\$ (95,269)</u>	<u>\$ 102,930,426</u>