

# **Nina Mason Pulliam Charitable Trust**

Independent Auditor's Report and Financial Statements

December 31, 2021 and 2020

# Nina Mason Pulliam Charitable Trust

December 31, 2021 and 2020

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## Independent Auditor's Report

Board of Trustees  
Nina Mason Pulliam Charitable Trust  
Indianapolis, Indiana

### ***Opinion***

We have audited the financial statements of Nina Mason Pulliam Charitable Trust, which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Nina Mason Pulliam Charitable Trust as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 Nina Mason Pulliam Charitable Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Nina Mason Pulliam Charitable Trust's ability to continue as a going concern within one year after the date that these 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 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 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 Nina Mason Pulliam Charitable Trust'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 Nina Mason Pulliam Charitable Trust'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.

**FORVIS,LLP**

Indianapolis, Indiana  
June 29, 2022

**Nina Mason Pulliam Charitable Trust**  
**Statements of Financial Position**  
**December 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 42,857,052	\$ 23,182,537
Receivables - investments	398,174	898,223
Investments	469,309,825	415,946,896
Equipment and leasehold improvements - net	303,053	382,536
Other	616,107	744,389
Total assets	\$ 513,484,211	\$ 441,154,581
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 822,314	\$ 649,363
Deferred excise tax - federal	2,072,134	1,631,633
Grant and scholarship commitments	10,829,406	9,796,718
Total liabilities	13,723,854	12,077,714
<b>Net Assets</b> - without donor restrictions	499,760,357	429,076,867
Total liabilities and net assets	\$ 513,484,211	\$ 441,154,581

**Nina Mason Pulliam Charitable Trust**  
**Statements of Activities**  
**Years Ended December 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Investment Income and Fees</b>		
Interest and dividends	\$ 762,213	\$ 952,013
Net realized and unrealized gains on investments	93,121,196	62,511,569
Total investment income	93,883,409	63,463,582
Investment management fees and expenses	(1,479,426)	(1,430,234)
Net investment income and fees	92,403,983	62,033,348
<b>Expenses</b>		
Employees' salaries and benefits	3,007,064	3,007,645
Trustees' fees	187,000	196,000
Legal and audit expense	77,867	71,428
Occupancy expense	346,828	353,089
Depreciation expense	84,507	91,847
Other expenses	404,839	352,953
Total expenses	4,108,105	4,072,962
<b>Excess of Investment Income Over Expenses Before Grants and Scholarships and Excise Tax</b>	88,295,878	57,960,386
<b>Grants, Scholarships and Direct Charitable Activities</b>	16,571,887	18,228,036
<b>Federal Excise Tax Expense</b>	1,040,501	780,430
<b>Change in Net Assets Without Donor Restrictions</b>	70,683,490	38,951,920
<b>Net Assets Without Donor Restrictions, Beginning of Year</b>	429,076,867	390,124,947
<b>Net Assets Without Donor Restrictions, End of Year</b>	\$ 499,760,357	\$ 429,076,867

**Nina Mason Pulliam Charitable Trust**  
**Statements of Cash Flows**  
**Years Ended December 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Operating Activities</b>		
Cash receipts from interest and dividends	\$ 762,213	\$ 952,013
Cash paid for grants, scholarships and direct charitable activities	(15,539,199)	(17,015,855)
Cash paid to employees for salaries and benefits	(3,007,064)	(3,007,645)
Cash paid to investment managers and advisors	(1,166,482)	(1,430,234)
Cash paid to vendors	(892,129)	(880,127)
Cash paid for excise taxes	(600,000)	(225,000)
Cash paid for trustee fees	(187,000)	(196,000)
Net cash used in operating activities	(20,629,661)	(21,802,848)
<b>Investing Activities</b>		
Purchase of equipment	(5,024)	(12,425)
Purchase of investments	(55,473,541)	(65,656,990)
Proceeds from sales and maturities of investments	95,782,741	91,793,074
Net cash provided by investing activities	40,304,176	26,123,659
<b>Net Increase in Cash and Cash Equivalents</b>	19,674,515	4,320,811
<b>Cash and Cash Equivalents, Beginning of Year</b>	23,182,537	18,861,726
<b>Cash and Cash Equivalents, End of Year</b>	\$ 42,857,052	\$ 23,182,537

# Nina Mason Pulliam Charitable Trust

## Notes to Financial Statements

December 31, 2021 and 2020

### Note 1: Organization

The Nina Mason Pulliam Charitable Trust (Trust) is a continuing trust established under the provisions of Article 5 of the Nina Mason Pulliam Revocable Trust Agreement. The term of the Trust shall be for 50 years after the date of death of Nina Mason Pulliam, which was March 26, 1997. During the Trust's term, the Trustees are directed to distribute from the Trust property to qualified organizations, at a minimum annually, the amount necessary to comply with federal tax laws. Upon the expiration of the Trust term, the principal and remaining income shall be distributed to qualified organizations.

The Trust seeks to help people in need, especially women, children and families; to protect animals and nature; and to enrich community life through grantmaking in the metropolitan areas of Indianapolis, Indiana and Phoenix, Arizona. The Trust also sponsors the Nina Mason Pulliam Legacy Scholars program, which provides post-secondary educational opportunities for individuals who would not normally receive traditional scholarships, and whose personal commitments and financial circumstances would preclude their attendance without substantial, long-term scholarship support. Nina Scholars are: adults with dependents in their family unit; college-age youth and adults with physical disabilities; or students who have experienced foster care or have been disconnected from their parents or primary caregiver and are responsible for their own financial support.

### Note 2: Summary of Significant Accounting Policies

The Trust maintains its records on the accrual basis of accounting. The more significant accounting policies used by the Trust are as follows:

#### ***Use of Estimates***

Trust management has made estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities, in preparing these financial statements in conformity with accounting principles generally accepted in the United States of America. Estimates also affect the reported amounts of revenues, gains and losses, program grants and operating expenses during the reporting period. Actual results could differ from those estimates.

#### ***Cash and Cash Equivalents***

The Trust considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2021 and 2020, cash equivalents consisted primarily of money market funds and bank certificates of deposit. For purposes of the statements of cash flows, uninvested cash and cash equivalents included in investments are not considered to be cash and cash equivalents.

The current FDIC insurance limit for cash accounts is \$250,000. At December 31, 2021, the Trust's interest-bearing cash accounts exceeded federally insured limits by approximately \$22 million.



# **Nina Mason Pulliam Charitable Trust**

## **Notes to Financial Statements**

**December 31, 2021 and 2020**

### ***Investments***

The Trust's long-term financial objectives are to preserve and enhance the inflation adjusted value of its assets and provide a stable stream of earnings consistent with spending needs. The Trust's primary long-term absolute investment objective is to earn an average annual inflation adjusted total return of at least 5 percent, net of all investment management fees, operating expenses and taxes over long-term periods.

Investments are recorded at fair value in the accompanying financial statements. 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 (that is, an exit price).

Fair value for Level 1 assets is determined based on quoted market prices in active markets for identical assets and liabilities. Where quoted market prices are not available, the Trust uses valuation techniques that place greater reliance on observable inputs and less reliance on unobservable inputs in determining fair value. Investments in commingled funds, trusts and limited partnerships (funds) are valued at net asset value per share (NAV) as provided by the funds' administrator or general partner. When applicable, the Trust uses net assets from the funds' audited financial statements multiplied by the Trust's interest in the funds to record the fair value of its investments. Investments measured at NAV are not classified within the fair value hierarchy. The Trust's policy is to recognize transfers between levels, if any, at the end of each year.

The inputs used in valuing the Trust's investments are not necessarily an indication of investment risks. The Trust's investments are exposed to various risks, such as interest rate, credit, currency and overall market volatility risk. Due to these risks, it is possible that changes in the values of investments could occur in the near term and that such changes could materially affect the net assets recorded in the accompanying financial statements.

Investment receivables represent withdrawals from fund managers that were in-transit at year end.

### ***Excise and Income Taxes***

The Trust is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (Code) and a private foundation under Section 509. Accordingly, the Trust is not subject to federal income tax, except to the extent that it has unrelated business taxable income. In the opinion of management, the Trust did not have material unrelated business taxable income in 2021 or 2020.

The Trust is subject to a private foundation federal excise tax of 1.39% on net investment income, as defined by the Code, and has recorded excise tax liabilities in the financial statements. Deferred federal excise taxes result from the tax effects associated with unrealized appreciation on the Trust's investments.

# Nina Mason Pulliam Charitable Trust

## Notes to Financial Statements December 31, 2021 and 2020

### ***Equipment and Leasehold Improvements***

The Trust records equipment, leasehold improvements and automobiles at cost. Depreciation is computed using the straight-line method based upon the estimated useful lives that range from three to ten years.

### ***Net Asset Classification***

All net assets of the Trust are not restricted and may be used at the discretion of the Trustees to support the Trust's purposes and operations.

### ***Functional Allocation of Expenses***

The costs of supporting programs and other activities have been summarized on a natural classification basis on the statements of activities. The functional expense footnote presents the natural classification detail of expenses by function. Certain costs have been allocated among philanthropy program and management and general expense categories based on time expended and other methods.

### ***Subsequent Events***

The Trust has evaluated and disclosed, if any, subsequent events that occurred after December 31, 2021 and through June 29, 2022, which is the date the financial statements were available to be issued.

### **Note 3: Federal Excise Taxes**

Current and deferred federal excise taxes are provided at 1.39% for the years ended December 31, 2021 and 2020, respectively. The following are the Federal excise tax components:

	<u>2021</u>	<u>2020</u>
Current expense	\$ 750,501	\$ 380,430
Deferred expense	<u>290,000</u>	<u>400,000</u>
Federal excise tax expense	<u>\$ 1,040,501</u>	<u>\$ 780,430</u>

# Nina Mason Pulliam Charitable Trust

## Notes to Financial Statements December 31, 2021 and 2020

### Note 4: Investments

As of December 31, 2021 and 2020, the investments of the Trust included:

	<u>2021</u>	<u>2020</u>
Domestic equity funds	\$ 82,340,434	\$ 68,031,940
International equity funds	48,454,036	57,498,272
Global equity funds	-	23,525,500
Fixed income securities and funds	75,715,468	47,646,337
Alternative investments and hedge funds	66,406,108	68,620,997
Natural resources and commodities funds	9,854,886	8,206,973
Nonmarketable alternative investment funds	186,538,893	142,416,877
	<u>\$ 469,309,825</u>	<u>\$ 415,946,896</u>

### Note 5: Disclosures About Fair Value of Assets

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Quoted market prices for similar assets and liabilities in an active market; quoted prices for identical or similar assets or liabilities in an inactive market and calculation techniques utilizing observable market inputs
- Level 3** Valuations derived from techniques in which one or more significant inputs are unobservable

# Nina Mason Pulliam Charitable Trust

## Notes to Financial Statements December 31, 2021 and 2020

### Recurring Measurements

Fair value of the Trust's investments has been determined using the valuation hierarchy at December 31, 2021 and 2020:

	Fair Value Measurements Using			Fair Value
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>December 31, 2021</b>				
Investments				
Domestic equity funds	\$ 27,576,506	\$ -	\$ -	\$ 27,576,506
Fixed income securities and funds	33,501,657	-	-	33,501,657
Natural resources and commodities funds	9,854,886	-	-	9,854,886
Total investments in the fair value hierarchy	\$ 70,933,049	\$ -	\$ -	70,933,049
Investments measured at NAV <sup>(A)</sup>				398,376,776
Investments at fair value				\$ 469,309,825
<b>December 31, 2020</b>				
Investments				
Domestic equity funds	\$ 26,034,495	\$ -	\$ -	\$ 26,034,495
Fixed income securities and funds	24,646,337	-	-	24,646,337
Natural resources and commodities funds	8,206,973	-	-	8,206,973
Total investments in the fair value hierarchy	\$ 58,887,805	\$ -	\$ -	58,887,805
Investments measured at NAV <sup>(A)</sup>				357,059,091
Investments at fair value				\$ 415,946,896

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

# Nina Mason Pulliam Charitable Trust

## Notes to Financial Statements

December 31, 2021 and 2020

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2021.

### **Investments**

**Domestic Equity Funds:** Investments include one publicly-traded mutual fund, one actively managed U.S. equity long/short commingled fund, and one separately managed equity account. The underlying assets of all commingled funds are marketable equity securities and the fair values are estimated using the net asset values (NAV) of the Trust's ownership interest in each fund. The publicly-traded mutual fund and separately managed account are included within Level 1 of the valuation hierarchy and the commingled fund is included within the Investments Measured at NAV category of the valuation hierarchy.

**International and Global Equity Funds:** Investments include five actively managed global/international commingled equity funds. The underlying assets of all commingled funds are marketable equity securities and the fair value of the commingled investment funds are estimated using the NAV of the Trust's ownership interest in each fund. All commingled funds are included within the Investments Measured at NAV category of the valuation hierarchy.

**Fixed Income Securities and Funds:** Investments include two passively managed separate accounts and two commingled fixed income funds. Fixed income securities owned by the Trust are valued using quoted market prices in active markets and are classified within Level 1 of the valuation hierarchy. The value of the commingled fixed income funds are estimated using the NAV of the Trust's ownership interest in the fund and are included within the Investments Measured at NAV category of the valuation hierarchy.

**Alternative Investments and Hedge Funds:** Investments include nine absolute return and six long/short hedge funds.

Absolute return funds include diversified, event arbitrage and distressed securities strategies that seek to diversify risk and reduce portfolio volatility. Managers of these funds have significant discretion to allocate resources among several strategies including event arbitrage, convertible bond arbitrage, special situations and distressed securities. Managers may have the flexibility to use limited leverage and to implement strategies on a U.S. or global basis. The fair values of the investments in this category have been estimated using the NAV per share of the absolute return fund as provided by the investment administrators.

Hedge funds invest in both long and short strategies primarily in U.S. and global common stocks. Management of the hedge funds has the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position and can use limited leverage. The fair values of the hedge fund investments in this category have been estimated using the NAV per share of the investments.

Although the initial liquidity restriction period for investments in this category ranged from one to three years, over 92 percent of these investments can be redeemed within the next twelve months.

# Nina Mason Pulliam Charitable Trust

## Notes to Financial Statements December 31, 2021 and 2020

**Natural Resources and Commodities Funds:** Investments include two exchange-traded global natural resource funds (ETF's). The ETF's have a quoted market price on active markets and are classified within Level 1 of the valuation hierarchy.

**Nonmarketable Alternative Investment Funds:** Investments include private equity, venture capital, commodities partnerships, real estate and distressed debt investments. These investments cannot be redeemed from the partnerships but the Trust will receive distributions from each fund as they liquidate their underlying investments. Investment managers estimate the funds will liquidate their investments over a 7 to 12 year timeframe from the initial closing date. Because it is improbable that any individual investment will be sold, the Trust has recorded each individual investment's estimate of fair value using the NAV of the Trust's ownership interest in the partnerships capital. However, the Trust may sell its interests in nonmarketable funds in a secondary market, but as of December 31, 2021, it has no plans to sell any nonmarketable alternative investments before they are liquidated. All nonmarketable alternative investment partnerships are included within the Investments Measured at NAV category of the valuation hierarchy.

The following tables present information regarding funds with fair value that is determined using the net asset value (or its equivalent) provided by the fund.

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
<b>December 31, 2021</b>				
Investments				
Domestic equity funds	\$ 54,763,928	\$ -	Quarterly, annually	30-60 days
International equity funds	48,454,036	-	Monthly, quarterly	6-15 days
Fixed income securities and funds	42,213,811	-	Monthly, quarterly	10-90 days
Alternative investments and hedge funds	66,406,108	-	Quarterly, annually	5-90 days
Nonmarketable alternative investment funds	<u>186,538,893</u>	<u>42,800,000</u>	Not eligible	n/a
	<u>\$ 398,376,776</u>	<u>\$ 42,800,000</u>		
<b>December 31, 2020</b>				
Investments				
Domestic equity funds	\$ 41,997,445	\$ -	Quarterly, annually	30-60 days
International equity funds	57,498,272	-	Monthly, quarterly	6-15 days
Global equity funds	23,525,500	-	Monthly	6 days
Fixed income securities and funds	23,000,000	-	Monthly, quarterly	10-90 days
Alternative investments and hedge funds	68,620,997	-	Quarterly, annually	5-90 days
Nonmarketable alternative investment funds	<u>142,416,877</u>	<u>49,200,000</u>	Not eligible	n/a
	<u>\$ 357,059,091</u>	<u>\$ 49,200,000</u>		

# Nina Mason Pulliam Charitable Trust

## Notes to Financial Statements December 31, 2021 and 2020

### Note 6: Operating Leases

The Trust has entered into noncancelable 10-year office space leases in Indianapolis, Indiana and Phoenix, Arizona. Both leases include provisions for inflationary rent increases and require the Trust to pay for its share of building operating costs above the base year amount. The Trust has the option to extend each lease for an additional five years beyond the expiration of the initial term. Rent expense for space in Indianapolis and Phoenix totaled \$346,828 and \$353,089 for the years ended December 31, 2021 and 2020, respectively.

Future minimum rents to be paid under these leases, excluding realizable taxes and building operating expenses, are:

2022	\$	231,458
2023		386,496
2024		394,086
2025		401,676
2026		409,266
Thereafter		<u>2,047,993</u>
Total	\$	<u><u>3,870,975</u></u>

### Note 7: Employee Benefit Plans

The Trust provides a retirement benefit plan under Section 401(k) of the Internal Revenue Code (Code) that covers all participating employees. The Trust makes seven percent contributions to each employee's 401(k) plan account based upon that employee's wages and provides matching funds on a dollar-for-dollar basis up to the first four percent of an employee's discretionary contribution. Total Trust contributions to the plan were \$239,035 in 2021 and \$240,128 in 2020.

The Trust also provides a key employee wage deferral plan under Section 457(b) of the Code. The Trust does not make contributions to the plan, but does accept key employee elective contributions.

**Nina Mason Pulliam Charitable Trust**  
**Notes to Financial Statements**  
**December 31, 2021 and 2020**

**Note 8: Functional Expenses**

The components of program and support services expenses for the years ended December 31, 2021 and 2020, included:

	<b>Direct Philanthropy Program Expenses</b>	<b>General and Administrative Expenses</b>	<b>Total</b>
<b>December 31, 2021</b>			
Employees' salaries and benefits	\$ 2,034,746	\$ 972,318	\$ 3,007,064
Trustees' fees	93,500	93,500	187,000
Legal and audit expense	13,754	64,113	77,867
Occupancy expense	284,703	62,125	346,828
Depreciation expense	59,155	25,352	84,507
Other expenses	279,849	124,990	404,839
	<u>2,765,707</u>	<u>1,342,398</u>	<u>4,108,105</u>
Grants, scholarships and direct charitable activities	16,571,887	-	16,571,887
	<u>\$ 19,337,594</u>	<u>\$ 1,342,398</u>	<u>\$ 20,679,992</u>
<b>December 31, 2020</b>			
Employees' salaries and benefits	\$ 2,065,153	\$ 942,492	\$ 3,007,645
Trustees' fees	98,000	98,000	196,000
Legal and audit expense	4,234	67,194	71,428
Occupancy expense	288,796	64,293	353,089
Depreciation expense	64,293	27,554	91,847
Other expenses	256,688	96,265	352,953
	<u>2,777,164</u>	<u>1,295,798</u>	<u>4,072,962</u>
Grants, scholarships and direct charitable activities	18,228,036	-	18,228,036
	<u>\$ 21,005,200</u>	<u>\$ 1,295,798</u>	<u>\$ 22,300,998</u>

The schedule above does not include an allocation of federal excise tax expense, which totaled \$1,040,501 and \$780,430 for the years ended December 31, 2021 and 2020 and would otherwise be classified as a general and administrative expense.



# Nina Mason Pulliam Charitable Trust

## Notes to Financial Statements December 31, 2021 and 2020

### Note 9: Liquidity and Availability

Financial assets available for general expenditure within one year of December 31, 2021 and 2020, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 42,857,052	\$ 23,182,537
Receivables - investments	398,174	898,223
Redeemable - investments	<u>282,770,932</u>	<u>273,530,019</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 326,026,158</u>	<u>\$ 297,610,779</u>

The Trust structures its financial assets to be available as its grants, general expenditures, liabilities and other obligations come due. To achieve this, the Trust forecasts its future cash flows and monitors its liquidity on a quarterly and annual basis. In addition, as part of its liquidity management, the Trust invests cash in excess of daily requirements in various short-term investments, including certificates of deposits and short-term treasury instruments.

The Trust's investment policy requires that at least 30 percent of total assets must be liquid within one month and the portfolio generally holds at least two years' worth of anticipated expenditures, including grant disbursements, in highly liquid U.S. Treasury securities and cash. During the years ended December 31, 2021 and 2020, the level of liquidity was managed within the policy requirements.

### Note 10: Grant and Scholarship Commitments

At December 31, 2021, grant and scholarship commitments are expected to be paid to qualifying organizations as follows:

2022	\$ 6,415,237
2023	2,493,370
2024	1,732,399
2025	125,600
2026	<u>62,800</u>
Total	<u>\$ 10,829,406</u>