



THE WHITLOCK CO.

CPAs and Consultants

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS**

**CONSOLIDATED FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION
with
INDEPENDENT AUDITOR'S REPORT**

YEARS ENDED JUNE 30, 2024 AND 2023



INDEPENDENT AUDITOR'S REPORT

Audit Committee & Board of Directors
Community Foundation of the Ozarks, Inc.
Springfield, Missouri

Opinion

We have audited the consolidated financial statements of **Community Foundation of the Ozarks, Inc. and Supporting Organizations**, which comprise the consolidated statements of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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 **Community Foundation of the Ozarks, Inc. and Supporting Organizations**, as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are required to be independent of **Community Foundation of the Ozarks, Inc. and Supporting Organizations** 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 **Community Foundation of the Ozarks, Inc. and Supporting Organizations'** ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 consolidated 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 consolidated 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 **Community Foundation of the Ozarks, Inc. and Supporting Organizations'** 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 **Community Foundation of the Ozarks, Inc. and Supporting Organizations'** 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 Summarized Comparative Information

We have previously audited **Community Foundation of the Ozarks, Inc. and Supporting Organizations'** June 30, 2023, consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 31, 2023. In our opinion, the summarized comparative information presented herein, as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating financial statements, accompanying schedule of consolidated foundation and agency funds activity, and accompanying schedule of affiliate foundations are presented for purposes of additional analysis and are not a required part of the basic 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.

A handwritten signature in black ink that reads "THE WHITLOCK CO., LLP". The signature is written in a cursive, slightly slanted style. The word "THE" is written in a smaller, more compact font, while "WHITLOCK" is larger and more prominent. "CO., LLP" is written in a smaller font to the right of "WHITLOCK".

Springfield, Missouri
November 15, 2024

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

<u>ASSETS</u>	June 30,	
	2024	2023
Assets		
Cash and cash equivalents	\$ 76,644,997	\$ 75,280,207
Contributions receivable	10,925,625	375,625
Prepaid expenses	181,746	192,533
	87,752,368	75,848,365
Investments		
Diversified investment pool	297,778,840	268,134,578
Advisor-managed funds	80,437,005	65,635,654
Balanced investment pool	3,123,711	2,277,158
Mission related investments	1,518,949	1,107,289
Program related investments, net of allowance for credit losses	897,040	1,543,533
Other investments	1,463,786	1,467,923
Land and real estate	8,574,401	8,445,908
	393,793,732	348,612,043
Split interest agreements		
Charitable trusts	718,548	685,938
Cash surrender value of life insurance policies	561,111	459,982
	1,279,659	1,145,920
Property and equipment, net of accumulated depreciation	7,082,760	1,108,055
Total assets	\$ 489,908,519	\$ 426,714,383
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities		
Accrued liabilities and expenses	\$ 368,216	\$ 246,992
Notes payable	20,802	48,114
Annuities payable	243,056	285,324
Agency funds	115,994,856	107,286,046
	116,626,930	107,866,476
Net assets		
Without donor restriction	29,426,581	18,503,519
With donor restriction	343,855,008	300,344,388
Total net assets	373,281,589	318,847,907
Total liabilities and net assets	\$ 489,908,519	\$ 426,714,383

The accompanying notes are an integral part of the consolidated financial statements.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENT OF ACTIVITIES
WITH SUMMARIZED PRIOR YEAR INFORMATION**

	Year ended June 30, 2024			Year ended June 30, 2023
	Without donor restriction	With donor restriction	Total	
Revenues				
Contributions	\$ 13,837,794	\$ 32,964,595	\$ 46,802,389	\$ 48,145,968
Contributions - nonfinancial	255,426	11,624	267,050	431,638
Net investment earnings	655,469	38,866,122	39,521,591	23,304,449
Management fees	1,065,414	-	1,065,414	941,209
Rental income	126,607	-	126,607	-
Other revenues	185,015	600	185,615	190,158
Net assets released from restrictions	26,270,120	(26,270,120)	-	-
Total revenues	<u>42,395,845</u>	<u>45,572,821</u>	<u>87,968,666</u>	<u>73,013,422</u>
Expenses				
Grants and scholarships	25,038,241	-	25,038,241	24,337,612
Programs	2,209,480	-	2,209,480	1,580,853
Administrative	2,151,336	-	2,151,336	2,075,910
Development	1,453,609	-	1,453,609	1,249,668
Total expenses	<u>30,852,666</u>	<u>-</u>	<u>30,852,666</u>	<u>29,244,043</u>
Other changes				
Transfers (in) out	692,403	2,046,326	2,738,729	(30,828)
Split interest agreements	-	126,118	126,118	(193,348)
Total other changes	<u>692,403</u>	<u>2,172,444</u>	<u>2,864,847</u>	<u>(224,176)</u>
Increase in net assets	10,850,776	43,400,377	54,251,153	43,993,555
Reclassifications	72,286	110,243	182,529	(262,495)
Net assets at beginning of year	<u>18,503,519</u>	<u>300,344,388</u>	<u>318,847,907</u>	<u>275,116,847</u>
Net assets at end of year	<u>\$ 29,426,581</u>	<u>\$ 343,855,008</u>	<u>\$ 373,281,589</u>	<u>\$ 318,847,907</u>

The accompanying notes are an integral part of the consolidated financial statements.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
WITH SUMMARIZED PRIOR YEAR INFORMATION**

	Program services		Supporting services		Year ended June 30, 2024 Total	Year ended June 30, 2023 Total
	Grants and Scholarships	Community Foundation Programs	Management & General Administration	Fundraising and Development		
Functional expenses						
Grants and scholarships	\$ 25,038,241	\$ -	\$ -	\$ -	\$ 25,038,241	\$ 24,337,612
Personnel and benefits						
Salaries and wages	-	824,400	802,705	542,369	2,169,474	1,918,514
Retirement plan contributions	-	70,498	68,643	46,381	185,522	84,041
Other employee benefits	-	139,928	136,246	92,058	368,232	290,830
Payroll taxes	-	62,820	61,168	41,330	165,318	144,112
Occupancy expenses	-	48,367	47,095	31,821	127,283	121,171
Information technology	-	136,138	132,555	89,564	358,257	289,348
Collaboration and leadership	-	263,893	256,948	173,614	694,455	577,451
Office expenses	-	52,322	50,946	34,423	137,691	123,655
Professional services	-	234,091	227,931	154,007	616,029	562,338
Insurance	-	37,993	36,993	24,996	99,982	103,198
Printing and publications	-	36,647	35,682	24,110	96,439	95,823
Dues, subs, and membership	-	26,434	25,738	17,391	69,563	56,485
Professional development	-	28,805	28,046	18,950	75,801	82,782
Travel	-	24,337	23,696	16,011	64,044	36,271
Processing fees	-	51,441	50,088	33,843	135,372	65,050
Other expenses	-	56,698	55,205	37,301	149,204	144,997
Depr. and amort.	-	82,772	80,594	54,455	217,821	194,695
Bad debt expense	-	25,085	24,425	16,504	66,014	-
Interest expense	-	6,811	6,632	4,481	17,924	15,670
Total functional expenses	\$ 25,038,241	\$ 2,209,480	\$ 2,151,336	\$ 1,453,609	\$ 30,852,666	\$ 29,244,043

The accompanying notes are an integral part of the consolidated financial statements.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Years ended June 30,	
	2024	2023
Cash flows from operating activities		
Increase in net assets	\$ 54,251,153	\$ 43,993,555
Reclassifications	182,529	(262,495)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	217,821	194,695
Bad debt expense	66,014	-
Contributions restricted for long-term investment	(8,205,100)	(15,318,410)
Adjustment of actuarial liability	(42,268)	(428,286)
Net realized and unrealized (gains) losses on investments	(37,251,951)	(19,814,957)
Life insurance cash surrender value charges	35,098	40,037
Loss on disposal of property and equipment	334	321
Change in:		
Contribution receivable	(10,550,000)	1,003,276
Prepaid expenses	10,787	(94,916)
Accrued expenses	121,224	38,507
Annuities payable	29,521	166,709
Agency funds	8,708,810	8,855,754
Net cash provided by operating activities	7,573,972	18,373,790
Cash flows from investing activities		
Purchases of property and equipment	(6,192,860)	(45,390)
Purchases of investments	(103,846,251)	(77,653,504)
Proceeds from sale of investments	95,850,499	57,131,536
Purchase of split interest agreements	(168,837)	(1,317,819)
Proceeds from split interest agreements	-	1,836,328
Net cash used in investing activities	(14,357,449)	(20,048,849)
Cash flows from financing activities		
Payments on annuities	(29,521)	(166,709)
Payments of notes payable	(27,312)	(18,044)
Proceeds from contributions restricted for investments in endowment funds	8,205,100	15,318,410
Net cash provided by financing activities	8,148,267	15,133,657
Net increase in cash and cash equivalents	1,364,790	13,458,598
Cash at beginning of year	75,280,207	61,821,609
Cash at end of year	\$ 76,644,997	\$ 75,280,207

The accompanying notes are an integral part of the consolidated financial statements.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

1. History and purpose

The **Community Foundation of the Ozarks, Inc.** (the Foundation) (EIN 23-7290968) was incorporated in 1973 by a group of Greene County, Missouri citizens who were interested in providing a way for the charitable desires of people to be given permanent, useful expression in furthering the welfare of the community. The Foundation's mission is to enhance the quality of life through resource development, community grantmaking, collaboration, and public leadership. The Foundation receives, distributes, and administers component funds for charitable and public purposes for the Springfield Metropolitan area and its affiliated regional community foundations serving the southern tier of Missouri (see supplemental information for full list of affiliated community foundations).

In December 1999, the Lezah Stenger Foundation (Stenger) (EIN 43-1872019), a Type 1 supporting organization of the Community Foundation of the Ozarks, Inc., was established to promote education, amateur athletics, and various other charitable causes designed to meet the needs of the community.

In September 2002, the Ozarks Charitable Real Estate Foundation (OCREF) (EIN 41-2086647), a Type 1 supporting organization of the Community Foundation of the Ozarks, Inc., was established to accept gifts of land and real estate. Net proceeds of contributed assets are transferred to the Foundation.

In February 2006, the Community Foundation of the Ozarks Stock Trust (Stock Trust) (EIN 71-6225763), a Type 1 supporting organization of the Community Foundation of the Ozarks, Inc., was established to accept non-financial gifts. Net proceeds of contributed assets are transferred to the Foundation.

All three supporting organizations are affiliated charitable organizations that gained public charity status through their relationship with **Community Foundation of the Ozarks, Inc.** The Foundation exercises a substantial degree of direction over the policies, programs, and activities over these organizations, which meets the definition of a Type 1 organization.

In December 2023, CFO-SGF, LLC, a single-member limited liability company was formed to hold, operate, and maintain real estate purchased by the Foundation. **Community Foundation of the Ozarks, Inc.** is the sole member and maintains 100% ownership. All intercompany transactions have been eliminated.

2. Summary of significant accounting policies

This summary of significant accounting policies is presented to assist in understanding the Foundation's consolidated financial statements. The consolidated financial statements and notes are representations of the Foundation's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America.

Use of estimates

In preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of consolidation

The Foundation, in accordance with the provisions of *FASB Accounting Standards Codification Topic 958-810*, includes the Foundation, CFO-SGF, LLC, Lezah Stenger Foundation, Ozarks Charitable Real Estate Foundation, and the Community Foundation of the Ozarks Stock Trust in their consolidated financial statements in which they have economic interest arising from a contractual relationship, and are not-for-profit organizations controlled by the Foundation.

Basis of accounting

The consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of presentation

The Foundation prepares its consolidated financial statements in accordance with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under ASC 958, the Foundation is required to report information regarding its consolidated financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

Donor support

Support that is restricted by the donor is reported as an increase in without donor restriction if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in with donor restriction net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), with donor restriction net assets are reclassified to without donor restriction net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Distribution policy

Distributions are guided by several factors; most important is the historic value of the portfolio. Unless specified by the fund agreement, the Board has approved annual grants from endowment funds at a spend-rate between 3% and 5%. The grant formula is based on the approved spend-rate times the average quarterly market values of the fund over the prior twelve (12) trailing quarters through the fiscal year-end proceeding the fiscal year in which the grant is planned.

Cash equivalents

Cash equivalents represent short-term investments with original maturities of three months or less. The Foundation participates in the Insured Cash Sweep (ICS) network program which allows the Foundation to insure its cash position. Cash deposits are sent to deposit accounts at other ICS network member institutions in the amounts under the standard FDIC insurance maximum of \$250,000.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Contributions

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional.

Nonfinancial contributions consist of real property, tangible property, and livestock, and may have donor-imposed restrictions until the asset(s) is sold and placed in the appropriate fund. The Foundation values real and tangible property based upon the most recent appraisal or comparable sales. Livestock is sold and valued according to the USDA valuation method. For the years ended June 30, nonfinancial contributions recognized within the statement of activities included:

	2024	2023	
Real property	\$ 186,000	\$ 315,000	
Tangible property	-	20,324	
Livestock	67,524	67,389	
In-kind	13,526	28,925	
	\$ 267,050	\$ 431,638	

Contributions receivable consisted of \$10,925,625 as of June 30, 2024, and \$375,625 as of June 30, 2023. Contributions receivable are expected to be received within one to two years and management has determined the contributions and other receivables accrued are fully collectible.

Concentration of credit risk

Financial instruments, which potentially subject the Foundation to concentration of credit risk, consist principally of temporary cash investments, receivables, and investments. The Foundation places its cash and other investments with high-credit quality financial institutions and investment managers.

The contributions receivable balance consisted of receivables from two parties as of June 30, 2024, and one party as of June 30, 2023.

Investments and net investment return

Investments are carried at market value. Investments in hedge funds and private equities are recorded at net asset value (NAV), as a practical expedient, to determine fair value of the investments. Most funds participate in either a diversified investment pool, advisor managed pool, or a cash pool using the market value unit method to determine the number of shares issued. Interest, dividends, and unrealized and realized gains and losses from the diversified investment pool are allocated based on each participating fund's pro-rata share. Funds not participating in the Foundation's diversified or cash pools are invested separately and are monitored by the investment committee and Foundation staff.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Property and equipment

The Foundation records its property and equipment at cost and depreciates such assets over the estimated useful lives of the related assets. The Foundation capitalizes all property and equipment expenditures in excess of \$5,000. Contributed property and equipment is recorded at fair value at the date of donation. Depreciation is computed for financial reporting purposes using the straight-line method. No asset impairment was recognized during the years ended June 30, 2024 and 2023.

Revenue from contracts with fund holders and customers

The Foundation manages fund assets and investments on behalf of other entities and assesses the appropriate administrative fee. The fee is based on the average daily balance of the fund and revenue is recognized on a monthly basis, as the performance obligation of investment management and administrative services is met. Revenue from contracts with fund holders totaled \$1,065,414 and \$941,209 as of June 30, 2024 and 2023, respectively.

Revenue from contracts with customers is reported at the amount that reflects the consideration to which the Foundation expects to be entitled to in exchange for providing back-office accounting and grant making services. Contracts for back-office accounting services are generally considered a single performance obligation and generally are a flat contract fee that is billed annually. Revenue is recognized as the performance obligation is satisfied.

Functional expense classification

Functional expenses are those expenses incurred by the Foundation in the accomplishment of its stated mission. Functional expenses are summarized in the consolidated statements of activities as grants and scholarships, programs, administrative, and development. The consolidated financial statements report categories of costs attributable to programs and supporting activities. Direct costs are allocated to each program or activity. Indirect costs are allocated to each program based upon estimates of time spent on each of the activities for personnel expenses.

Income taxes

The Foundation is exempt from income taxes under the provisions of the Internal Revenue Code Section 501(c)(3). Further, **Community Foundation of the Ozarks, Inc.** is publicly supported as defined in Section 509(a)(1) and the support organizations meet the criteria as described in Section 509(a)(3). CFO-SGF, LLC is considered a disregarded entity for tax purposes and is included in the Form 990 filed by the Foundation. For the year ended June 30, 2024, the Foundation had no taxable income as a result of its unrelated business activities. Accordingly, the consolidated financial statements contain no provision for income tax.

Generally Accepted Accounting Principles (GAAP) prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on various related matters such as the position the Foundation has taken that the organization is exempt from income taxes.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

The Foundation's information return filings are subject to audit by various taxing authorities. The Foundation's open tax audit periods are 2021 through 2023. In evaluating the Foundation's tax positions, interpretations and tax planning strategies are considered. The Foundation believes their estimates are appropriate based on current facts and circumstances.

Reclassifications

Certain accounts and disclosures relating to the prior year have been reclassified to conform with the current year's presentation. Such reclassification had no effect on the change in net assets.

Adoption of new accounting standard

On July 1, 2022, the Foundation adopted FASB Accounting Standards Codification (ASC) 842, *Leases*, which requires the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. There was no material impact on the Foundation's results of operations or financial condition upon adoption of the new standard.

On July 1, 2023, the Foundation adopted FAS Accounting Standards Codification (ASC) 326, *Measurement of Credit Losses on Financial Instruments*, which aims to provide more information about expected credit losses in financial reporting by requiring credit losses expected throughout the life of the asset to be recorded at the time of origination. The Foundation included an allowance on the loans provided to the community as Program Related Investments during the 2024 fiscal year. See Note 4 for additional information.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

3. Investments

Investments are composed of the following institutions at June 30:

	<u>2024</u>	<u>2023</u>
Diversified investment pool		
Fiducient Advisors	\$ 294,384,995	\$ 261,908,303
Guaranty Bank	<u>3,393,845</u>	<u>6,226,275</u>
	<u>297,778,840</u>	<u>268,134,578</u>
Advisor-managed funds		
Central Trust Company	5,890,672	5,264,153
Commerce Trust Company	13,257,351	8,860,447
Edward Jones	9,372,325	8,371,644
Forvis Mazars	15,917,583	13,202,540
Four Rivers Financial	1,260,565	-
Merrill Lynch	6,674,889	4,876,061
Morgan Stanley	2,766,388	2,125,095
Raymond James	305,885	219,621
Simmons Trust Bank	15,189,489	13,774,196
Strong Path Financial	1,315,308	1,196,638
US Bank	7,158,657	6,636,872
Vineyard Asset Management	504,787	-
Wells Fargo	<u>823,106</u>	<u>1,108,387</u>
	<u>80,437,005</u>	<u>65,635,654</u>
Balanced investment pool		
Forvis Mazars	<u>3,123,711</u>	<u>2,277,158</u>
Mission related investments		
Fiducient Advisors	<u>1,518,949</u>	<u>1,107,289</u>
Program related investments (see Note 4)	<u>897,040</u>	<u>1,543,533</u>
Other investments (see Note 10)	<u>1,463,786</u>	<u>1,467,923</u>
Land and real estate (see Note 10)	<u>8,574,401</u>	<u>8,445,908</u>
Total investments	<u>\$ 393,793,732</u>	<u>\$ 348,612,043</u>

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

The Foundation holds most of its investments in a diversified investment pool which consists of various mutual fund companies. The remainder of its investments are held in separate accounts at various financial institutions.

The Foundation's primary investment objective is to preserve its purchasing power while providing a continuing and stable funding source to support the current and future mission. To accomplish this objective, the Foundation seeks to generate a total return that will exceed not only its operating expenses, but also all expenses associated with managing the fund and the eroding effects of inflation. It is the intention that all total return (interest income, dividends, realized gains, and unrealized gains) above and beyond the amount approved for expenditure or distribution will be reinvested. The Foundation's portfolio is managed on a total return basis, consistent with the applicable standard of conduct set forth in the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

4. Program related investments

In 2009, the Foundation Board of Directors approved committing up to 2% of total assets to community investments through program related investments (PRI). PRI is a mission investing strategy that is made primarily to achieve a program objective, rather than a significant financial return. The PRI program represents the Foundation's commitment to the "double-bottom line" of investing in nonprofits that produce both financial and social returns for the Springfield metropolitan area and southern tier of Missouri, rather than investing assets solely in financial markets. PRIs are stated at cost, which approximates fair value. Management has adopted FASB Codification (ASC) 326, *Measurement of Credit Losses on Financial Instruments*, which requires a forward-looking estimate of credit losses over the life of the loan based on historical loss data, current economic conditions, and reasonable forecasts. The Foundation now assesses and records an allowance for credit losses at the time of loan origination and updates this estimate periodically. At the time of adoption, no allowance had been recorded as collection rates indicated a trivial estimate to be required. The Foundation has now included a reasonable forecast to estimate credit losses on these loans.

Program related investments at June 30, consists of the following:

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Program Related Investments	Origination Date	Original Amount	Description	Rate	Maturity Date	June 30, 2024 Ending Balance	June 30, 2023 Ending Balance
Licking School District	June 5, 2015	\$ 205,672	Ground Source Heat Pumps	1.00%	June 5, 2025	\$ 19,740	\$ 45,422
Salem Memorial Hospital	March 23, 2020	\$ 865,240	MRI Machine	1.00%	August 1, 2030	\$ 551,180	\$ 636,167
Total Lease Purchase Agreements						\$ 570,920	\$ 681,589
Drew Lewis Foundation	January 6, 2016	\$ 72,000	Program Investment	7.50% *	March 6, 2022	\$ -	\$ 12,937
Simmering Center	April 9, 2019	\$ 61,250	Program Investment	8.25% *	April 1, 2029	\$ 34,644	\$ 40,213
Watershed Committee of the Ozarks	January 21, 2020	\$ 75,000	Program Investment	7.00% *	April 1, 2026	\$ -	\$ 42,264
Main Street Joplin	October 7, 2022	\$ 190,000	Program Investment	6.25% *	October 1, 2027	\$ 160,959	\$ 170,000
Branson Regional Arts Council	February 10, 2021	\$ 50,000	Program Investment	2% **	February 12, 2025	\$ 50,000	\$ 50,000
Springfield Little Theatre	February 10, 2021	\$ 50,000	Program Investment	2% **	February 12, 2025	\$ 50,000	\$ 50,000
Gillioz Center for Arts & Entertainment	February 10, 2021	\$ 50,000	Program Investment	2% **	February 12, 2025	\$ 46,530	\$ 46,530
Springfield Contemporary Theatre	February 10, 2021	\$ 50,000	Program Investment	2% **	February 12, 2025	\$ 50,000	\$ 50,000
Council of Churches	November 1, 2021	\$ 1,250,000	Program Investment	2.25%	September 1, 2025	\$ -	\$ 400,000
Total Loan Agreements						\$ 392,133	\$ 861,944
Total Program Related Investments						\$ 963,053	\$ 1,543,533
Allowance for credit losses						\$ (66,013)	\$ -
Program Related Investments, net						\$ 897,040	\$ 1,543,533

*Adjusted Annually Minus 1/2%

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

5. Split interest agreements

Charitable trusts: As of June 30, 2024, the Foundation is the trustee of six charitable trusts. Each charitable trust is a separate legal entity subject to federal and state filings. At the end of each trust term, the remainder is paid to the Foundation to establish a component fund. Assets held in charitable trusts are recorded at fair value and liabilities are revalued annually by calculating the present value of estimated future payments using factors and guidance provided by the IRS.

At June 30, 2024 and 2023, the charitable trust portfolio market value was \$718,548 and \$685,938, respectively with annuity payable liabilities of \$243,056 and \$285,324, respectively.

Life insurance policies: The Foundation purchased life insurance policies on the lives of specified donors under an agreement for which both parties mutually understand the nature and purpose of the planned gift. Life insurance policies are carried at their cash surrender value less any surrender charge. Net proceeds from life insurance distributions are used to establish component funds at the Foundation. As of June 30, 2024, the Foundation has seven policies.

At June 30, 2024 and 2023, the cash surrender value was \$561,111 and \$459,982, respectively.

Charitable gift annuities: A charitable gift annuity is a planned gift which involves a contract between a donor and the Foundation, where the donor makes a contribution in exchange for partial tax deductions and lifetime stream of annual income from the Foundation. The market value and annuity obligations are not reflected on the consolidated statements of position due to the Foundation's practice of reinsuring charitable gift annuities.

6. Property and equipment and sale-leaseback agreement

Property and equipment consisted of the following at June 30:

	<u>425 East Trafficway</u>	<u>300 South Jefferson Avenue</u>	<u>2024 Total</u>	<u>2023 Total</u>
Artwork	\$ 1,000	\$ -	\$ 1,000	\$ 1,000
Company vehicles	73,049	-	73,049	73,049
Equipment	91,847	-	91,847	99,637
Technology	430,991	-	430,991	421,109
Buildings	1,571,295	5,603,147	7,174,442	1,573,649
Construction in progress	-	140,735	140,735	-
Land	-	435,000	435,000	-
Total property and equipment	<u>2,168,182</u>	<u>6,178,882</u>	<u>8,347,064</u>	<u>2,168,444</u>
Less: accum. depr. and amort.	<u>1,198,455</u>	<u>65,849</u>	<u>1,264,304</u>	<u>1,060,389</u>
Total property and equipment, net	<u>\$ 969,727</u>	<u>\$ 6,113,033</u>	<u>\$ 7,082,760</u>	<u>\$ 1,108,055</u>

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Depreciation and amortization expenses were \$217,821 and \$194,695 for the years ended June 30, 2024 and 2023, respectively.

On March 24, 2005, the Foundation entered into a 24-month lease agreement with Great Southern Community Development Corporation (GSCDC) for the construction of a 10,000 square foot leasehold improvement to house the administrative offices of the Foundation, located at 425 East Trafficway. The Foundation financed approximately \$1.5 million for the construction of the facility. On June 14, 2006, the Foundation paid its outstanding debt obligation.

On July 1, 2006, the Foundation entered into a leasehold assignment agreement with GSCDC upon construction completion of the leasehold improvement. The leasehold assignment included an option to purchase the premises at the end of the lease term on June 30, 2046. The leasehold assignment also included a parking agreement whereby the Foundation was required to provide parking for United Way of the Ozarks staff.

On December 14, 2023, the Foundation, as legally completed through CFO-SGF, LLC, (landlord/buyer) purchased commercial real estate and adjacent land from Missouri State University Foundation (seller/tenant) located at 300 South Jefferson Avenue for a purchase price of \$5,800,000. Purchase of this asset was financed internally by borrowing \$5,750,000 from the diversified investment pool. Interest payments guided by 90-day treasury bill rates plus thirty-five basis points are paid from CFO-SGF, LLC back to the diversified investment pool monthly. A total of \$114,219 of interest payments was eliminated during the consolidation process. Renovations on this property are underway and classified as construction in progress at year end.

Upon completion of the purchase, the Foundation entered into a leaseback agreement with the seller. The agreement stipulates that the seller will lease the property back for a period ending on the earlier of December 31, 2026, or ninety days after receipt by the Foundation of a certificate of occupancy that the seller has constructed new facilities. Under the terms of the sale and leaseback transaction, the Foundation recognized the transaction as a true sale in accordance with FASB ASC 842, *Leases*, as all conditions for a sale were met. Monthly payments of \$29,167 are paid to the Foundation on the first day of each calendar month. Total rental income of \$119,543 was recorded on the statement of activities from this agreement. The Foundation has also agreed to reimburse the seller a portion of maintenance for common areas (CAM) and a share of utilities, janitorial costs, taxes, and insurance, which is calculated to be \$3,392 each month. Total CAM expenses of \$13,902 was recorded under occupancy expenses on the statement of activities.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

7. Notes payable

Notes payable at June 30, consist of the following:

	2024	2023
Note payable to Intercounty Electric Coop Assoc. dated October 1, 2015, in the original amount of \$206,000 with funds used to assist the Licking School District with the purchase of ground source heat pumps. Note is payable in monthly installments of \$1,717, including no interest. Note is scheduled to mature on October 1, 2025.	20,802	48,114
Total notes payable	\$ 20,802	\$ 48,114

8. Agency funds

Agency funds represent funds held by the Foundation on behalf of other non-profit entities that have retained the right to designate the recipients of the earnings and principal of funds. See the accompanying supplemental information for changes in agency funds for the years ended June 30, 2024 and 2023. As of June 30, 2024 and 2023, the Foundation maintained 814 and 811 active agency revocable funds, respectively.

9. Retirement plans

The Foundation has a 403(b) defined contribution plan covering the participating employees who make contributions to the Plan. The Foundation contributes to the plan bi-weekly, equal to the amount of the participants' contributions, not to exceed an annual contribution of 5% of the participants' annual compensation. Total expenses for the years ended June 30, 2024 and 2023, were approximately \$185,522 and \$84,041, respectively.

10. Disclosure about fair value of assets and liabilities

Financial Accounting Standards Board (FASB) Accounting Standards Codification (*ASC*) 820, "*Fair Value Measurements and Disclosures*," establishes a framework for measuring fair value and expands disclosures about fair value measurements.

ASC 820 defines fair value as 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. *ASC 820* also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices for identical or similar assets in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying consolidated statement of financial position measured at fair value on a recurring basis, and the level within the ASC 820 fair value hierarchy in which the fair value measurements fall at June 30, 2024:

	06/30/24	Fair value measurements using			Net Asset Value (NAV)
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Cash and equivalents					
Cash and equivalents	\$ 76,644,997	\$ 76,644,997	\$ -	\$ -	\$ -
	<u>\$ 76,644,997</u>	<u>\$ 76,644,997</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Investments					
Diversified investment pool					
Money market funds	\$ 9,232,988	\$ 9,232,988	\$ -	\$ -	\$ -
Equities - domestic and international	175,273,253	175,273,253	-	-	-
Fixed income - domestic and international	51,377,785	51,377,785	-	-	-
Real assets	23,711,221	23,711,221	-	-	-
Alternative investments	38,183,593	-	-	-	38,183,593
	<u>297,778,840</u>	<u>259,595,247</u>	<u>-</u>	<u>-</u>	<u>38,183,593</u>

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

	Fair value measurements using				Net Asset Value (NAV)
	06/30/24 Fair value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Advisor-managed funds					
Money market funds	2,992,744	2,992,744	-	-	-
Equities - domestic and international	51,557,292	51,557,292	-	-	-
Fixed income - domestic and international	19,656,598	19,656,598	-	-	-
Real assets	2,830,035	2,830,035	-	-	-
Liquid alternatives	3,400,336	3,400,336	-	-	-
	<u>80,437,005</u>	<u>80,437,005</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balanced investment pool					
Money market funds	167,939	167,939	-	-	-
Equities - domestic and international	989,664	989,664	-	-	-
Fixed income - domestic and international	1,807,763	1,807,763	-	-	-
Liquid alternatives	158,345	158,345	-	-	-
	<u>3,123,711</u>	<u>3,123,711</u>	<u>-</u>	<u>-</u>	<u>-</u>
Mission related investments					
Money market funds	12,864	12,864	-	-	-
Equities - domestic and international	1,003,606	1,003,606	-	-	-
Fixed income - domestic and international	438,691	438,691	-	-	-
Real assets	63,788	63,788	-	-	-
	<u>1,518,949</u>	<u>1,518,949</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program related investments					
Lease purchase agreements	531,786	-	-	531,786	-
Loans	365,254	-	-	365,254	-
	<u>897,040</u>	<u>-</u>	<u>-</u>	<u>897,040</u>	<u>-</u>
Other investments					
Notes receivable	86,250	-	-	86,250	-
Closely held stock	1,377,536	-	-	1,377,536	-
	<u>1,463,786</u>	<u>-</u>	<u>-</u>	<u>1,463,786</u>	<u>-</u>
Land and real estate					
Land	8,574,401	-	-	8,574,401	-
	<u>8,574,401</u>	<u>-</u>	<u>-</u>	<u>8,574,401</u>	<u>-</u>
	<u>\$393,793,732</u>	<u>\$344,674,912</u>	<u>\$ -</u>	<u>\$ 10,935,227</u>	<u>\$ 38,183,593</u>

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying consolidated statement of financial position measured at fair value on a recurring basis, and the level within the ASC 820 fair value hierarchy in which the fair value measurements fall at June 30, 2023:

	Fair value measurements using				Net Asset Value (NAV)
	06/30/23 Fair value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Cash and equivalents					
Cash and equivalents	\$ 75,280,207	\$ 75,280,207	\$ -	\$ -	\$ -
	<u>\$ 75,280,207</u>	<u>\$ 75,280,207</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Investments					
Diversified investment pool					
Money market funds	\$ 13,249,953	\$ 13,249,953	\$ -	\$ -	\$ -
Equities - domestic and international	158,468,520	158,468,520	-	-	-
Fixed income - domestic and international	46,072,010	46,072,010	-	-	-
Real assets	22,061,790	22,061,790	-	-	-
Alternative investments	28,282,305	-	-	-	28,282,305
	<u>268,134,578</u>	<u>239,852,273</u>	<u>-</u>	<u>-</u>	<u>28,282,305</u>
Advisor-managed funds					
Money market funds	2,206,999	2,206,999	-	-	-
Equities - domestic and international	41,547,736	41,547,736	-	-	-
Fixed income - domestic and international	16,529,205	16,529,205	-	-	-
Real assets	1,902,529	1,902,529	-	-	-
Liquid alternatives	3,449,185	3,449,185	-	-	-
	<u>65,635,654</u>	<u>65,635,654</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balanced investment pool					
Money market funds	96,361	96,361	-	-	-
Equities - domestic and international	743,509	743,509	-	-	-
Fixed income - domestic and international	1,243,573	1,243,573	-	-	-
Liquid alternatives	193,715	193,715	-	-	-
	<u>2,277,158</u>	<u>2,277,158</u>	<u>-</u>	<u>-</u>	<u>-</u>

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

	Fair value measurements using				Net Asset Value (NAV)
	06/30/23 Fair value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Mission related investments					
Money market funds	1,615	1,615	-	-	-
Equities - domestic and international	739,543	739,543	-	-	-
Fixed income - domestic and international	319,437	319,437	-	-	-
Real assets	46,694	46,694	-	-	-
	<u>1,107,289</u>	<u>1,107,289</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program related investments					
Lease purchase agreements	681,589	-	-	681,589	-
Loans	861,944	-	-	861,944	-
	<u>1,543,533</u>	<u>-</u>	<u>-</u>	<u>1,543,533</u>	<u>-</u>
Other investments					
Notes receivable	86,250	-	-	86,250	-
Closely held stock	1,381,673	-	-	1,381,673	-
	<u>1,467,923</u>	<u>-</u>	<u>-</u>	<u>1,467,923</u>	<u>-</u>
Land	8,445,908	-	-	8,445,908	-
	<u>\$348,612,043</u>	<u>\$308,872,374</u>	<u>\$ -</u>	<u>\$ 11,457,364</u>	<u>\$ 28,282,305</u>

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying consolidated statement of financial position using significant unobservable (Level 3) inputs:

	Program related <u>investments</u>	Other <u>investments</u>	Land and <u>real estate</u>	<u>Total</u>
Balance, beginning of year	\$ 1,543,533	\$ 1,467,923	\$ 8,445,908	\$ 11,457,364
Total realized and unrealized gains and (losses) and interest included in change in net assets	49,099	37,669	16,490	103,258
Purchases, issues, sales, and settlements:				
Purchases	-	-	186,000	186,000
Sales and proceeds	<u>(695,592)</u>	<u>(41,806)</u>	<u>(73,997)</u>	<u>(811,395)</u>
Balance, end of year	<u>\$ 897,040</u>	<u>\$ 1,463,786</u>	<u>\$ 8,574,401</u>	<u>\$ 10,935,227</u>

Quantitative information about significant unobservable inputs used in the measurement of fair value for Level 3 investments is not developed by the Foundation and is not considered reasonably available. Therefore, the Foundation is not subject to the disclosure requirements under FASB Codification Topic 820 *Fair Value Measurement* regarding quantitative information about significant unobservable inputs used in Level 3 fair value measurement.

Additional disclosures as required per FASB Codification Topic 820 set forth in the following table are certain hedge funds and private equity markets redemption frequency and redemption notice periods as of June 30, 2024:

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

	<u>Fair value</u>	<u>Unfunded commitments</u>	<u>Fund strategy</u>	<u>Redemption frequency</u>	<u>Redemption notice period</u>
Hedge Funds					
Anchorage Capital Partners Offshore, Ltd.	\$ 805,157	\$ -	Long/short credit	Quarterly	90 days
Aristeria International Ltd.	2,762,897	-	Event driven & credit	Quarterly	60 days
Capstone Vol (Offshore) Limited	3,509,200	-	Relative value	Quarterly	60 days
Hudson Bay International Fund Ltd.	3,568,593	-	Event driven	Quarterly	65 days
Laurion Capital Ltd.	2,069,319	-	Global macro	Quarterly	45 days
Lodbrok European Credit Opportunities Fund Ltd.	1,809,016	-	Event driven & credit	Quarterly	90 days
Oasis Investments II Offshore Feeder Ltd.	2,373,897	-	Multi-strategy	Quarterly	60 days
Senator Global Opportunities Offshore, Ltd.	45,435	-	Event driven	Quarterly	60 days
Silver Point Capital Offshore Fund, Ltd.	1,806,820	-	Event driven & credit	Quarterly	90 days
Southpoint Qualified Offshore Fund, LTD.	4,225,784	-	Long/short equity	Quarterly	60 days
TCIM Offshore Fund Ltd.	2,684,821	-	Long/short equity	Quarterly	30 days
Valinor Capital Partners Offshore, Ltd.	130,786	-	Long/short equity	Quarterly	60 days
Walleye Opportunities Fund Ltd.	2,760,286	-	Multi-strategy	Quarterly	30 days
Wolverine Flagship RV	<u>3,546,899</u>	-	Relative value	Quarterly	60 days
	32,098,910	-			
Private Markets					
Cornell Capital Partners II LP	1,087,497	720,000	Buyout	Illiquid	N/A
Kingswood Capital Opportunities Fund II	1,349,838	721,472	Distressed	Illiquid	N/A
Meaningful Partners Dedicated Capital Vehicle II LP	579,628	1,386,400	Buyout/Growth	Illiquid	N/A
NexPhase Capital Fund V-A, LP	172,999	1,753,924	Buyout	Illiquid	N/A
Resolve Growth Partners Fund II, LP	160,528	1,839,472	Growth Equity	Illiquid	N/A
Seaside Equity Partners II-B, LP	424,796	1,593,708	Buyout	Illiquid	N/A
TrueBridge Capital Partners Fund VII	1,026,891	958,130	Venture fund of funds	Illiquid	N/A
TrueBridge Capital Partners Fund VIII	93,791	1,880,000	Venture fund of funds	Illiquid	N/A
Windrose Health Investors VI, L.P.	<u>1,188,715</u>	<u>979,344</u>	Buyout	Illiquid	N/A
	<u>6,084,683</u>	<u>11,832,450</u>			
Total alternative investments	<u>\$ 38,183,593</u>	<u>\$ 11,832,450</u>			

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

11. Endowments

The Foundation's endowment consists of approximately 1,332 individual funds. Most are donor-restricted endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, 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 with donor restriction net assets (1) the original value of gifts donated to the permanent endowment, (2) subsequent gifts to the endowment, and (3) 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. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

Interpretation of relevant law

- The duration and preservation of funds
- The purposes of the donor-restricted endowment funds
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Endowment net asset activity is as follows for the years ended June 30, 2024 and 2023:

	2024	2023
Beginning balance	\$ 216,956,948	\$ 187,156,563
Reclassifications	(6,665,861)	-
Contributions	8,205,100	15,318,410
Other income	49,044	434,368
Investment earnings:		
Interest and dividends	5,866,765	5,957,445
Net realized and unrealized gains	22,523,517	12,573,202
Transfers	(1,478,066)	6,497,605
Released from restrictions	(9,433,137)	(10,980,645)
Ending balance	\$ 236,024,310	\$ 216,956,948

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Due to investment performance, some of the individual donor restricted endowment funds may have fair values that are cumulatively less than the amount of the corpus. Corpus includes the aggregate of gift additions to the funds and investment return required to be retained. Such endowments are commonly referred to as “underwater” endowments. The Foundation intends to continue to invest its endowment funds prudently so that these funds are restored to their historical corpus amounts and subsequently produce positive earnings that can be used consistent with the purpose of the funds.

12. Liquidity and availability of resources

The Foundation’s financial assets available within one year of the statement of financial position for general expenditure are as follows:

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 76,644,997	\$ 75,280,207
Contributions receivable	10,925,625	375,625
Investments	393,793,732	348,612,043
	481,364,354	424,267,875
Less those unavailable for general expenditure:		
Accrued liabilities and expenses	368,216	246,992
Agency funds	115,994,856	107,286,046
Assets that are restricted by donor	343,855,008	300,344,388
	460,218,080	407,877,426
Financial assets available to meet cash needs for general expenditure within one year	\$ 21,146,274	\$ 16,390,449

The Foundation’s financial assets are supported by contributions and investment returns. A portion of the Foundation’s investments are donor restricted for future needs of the Foundation. Notes receivable and notes payable are unique in that the debt is passed through the Foundation to community organizations.

13. Reclassifications

From time to time, the Foundation reviews its classifications of donor restricted net assets. As part of the review process, funds are analyzed and reclassified if needed. This year, the Foundation identified funds where the donor had switched their intention, or earnings had previously been allocated to a different fund. These reclassifications had no effect on total net assets as previously reported.

**COMMUNITY FOUNDATION OF THE OZARKS, INC.
AND SUPPORTING ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

14. Subsequent events

In preparing these consolidated financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through November 15, 2024, the date the consolidated financial statements were available to be issued.

During July 2024, the Foundation, by means of CFO-SGF, LLC, acquired a line of credit with a financial institution to finance renovation projects at 300 South Jefferson Avenue. Total borrowing up to \$3,000,000 was authorized at a variable interest rate determined by the Wall Street Journal Prime (the Index) minus 0.63%. The line of credit matures in July 2027. No advances have been made through October 31, 2024.

CONSOLIDATING FINANCIAL STATEMENTS

COMMUNITY FOUNDATION OF THE OZARKS, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

	Community Foundation	Stenger Foundation	OCREF	Stock Trust	CFO-SGF, LLC	Eliminations	Consolidated
Assets							
Cash and cash equivalents	\$ 76,368,120	\$ 1,212	\$ 13,635	\$ -	\$ 262,030	\$ -	\$ 76,644,997
Contributions receivable	10,925,625	-	-	-	-	-	10,925,625
Prepaid expenses	181,746	-	-	-	-	-	181,746
	<u>87,475,491</u>	<u>1,212</u>	<u>13,635</u>	<u>-</u>	<u>262,030</u>	<u>-</u>	<u>87,752,368</u>
Investments							
Diversified investment pool	303,528,840	-	-	-	-	(5,750,000)	297,778,840
Advisor-managed funds	80,437,005	-	-	-	-	-	80,437,005
Balanced investment pool	3,123,711	-	-	-	-	-	3,123,711
Mission related investments	1,518,949	-	-	-	-	-	1,518,949
Program related investments, net	897,040	-	-	-	-	-	897,040
Other investments	50	86,250	-	1,377,486	-	-	1,463,786
Land and real estate	-	8,388,401	186,000	-	-	-	8,574,401
	<u>389,505,595</u>	<u>8,474,651</u>	<u>186,000</u>	<u>1,377,486</u>	<u>-</u>	<u>(5,750,000)</u>	<u>393,793,732</u>
Split interest agreements							
Charitable trusts	718,548	-	-	-	-	-	718,548
Cash surrender value of life insurance	561,111	-	-	-	-	-	561,111
	<u>1,279,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,279,659</u>
Property and equipment, net	<u>1,053,572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,029,188</u>	<u>-</u>	<u>7,082,760</u>
Total assets	<u>\$ 479,314,317</u>	<u>\$ 8,475,863</u>	<u>\$ 199,635</u>	<u>\$ 1,377,486</u>	<u>\$ 6,291,218</u>	<u>\$ (5,750,000)</u>	<u>\$ 489,908,519</u>

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COMMUNITY FOUNDATION OF THE OZARKS, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION, CONTINUED
JUNE 30, 2024

LIABILITIES AND NET ASSETS

	<u>Community Foundation</u>	<u>Stenger Foundation</u>	<u>OCREF</u>	<u>Stock Trust</u>	<u>CFO-SGF, LLC</u>	<u>Eliminations</u>	<u>Consolidated</u>
Liabilities							
Accrued liabilities and expenses	\$ 337,321	\$ -	\$ 45	\$ -	\$ 30,850	\$ -	\$ 368,216
Notes payable	20,802	-	-	-	5,750,000	(5,750,000)	20,802
Annuities payable	243,056	-	-	-	-	-	243,056
Agency funds	<u>115,994,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,994,856</u>
	<u>116,596,035</u>	<u>-</u>	<u>45</u>	<u>-</u>	<u>5,780,850</u>	<u>(5,750,000)</u>	<u>116,626,930</u>
Net assets							
Without donor restriction	29,426,581	-	-	-	-	-	29,426,581
With donor restrictions	<u>333,291,701</u>	<u>8,475,863</u>	<u>199,590</u>	<u>1,377,486</u>	<u>510,368</u>	<u>-</u>	<u>343,855,008</u>
Total net assets	<u>362,718,282</u>	<u>8,475,863</u>	<u>199,590</u>	<u>1,377,486</u>	<u>510,368</u>	<u>-</u>	<u>373,281,589</u>
Total liabilities and net assets	<u>\$ 479,314,317</u>	<u>\$ 8,475,863</u>	<u>\$ 199,635</u>	<u>\$ 1,377,486</u>	<u>\$ 6,291,218</u>	<u>\$ (5,750,000)</u>	<u>\$ 489,908,519</u>

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COMMUNITY FOUNDATION OF THE OZARKS, INC. AND SUPPORTING ORGANIZATIONS
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Community Foundation</u>	<u>Stenger Foundation</u>	<u>OCREF</u>	<u>Stock Trust</u>	<u>CFO-SGF, LLC</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues							
Contributions	\$ 46,648,328	\$ 37,094	\$ -	\$ 116,967	\$ -	\$ -	\$ 46,802,389
Contributions - nonfinancial	13,527	-	186,000	67,523	-	-	267,050
Net investment earnings	39,591,719	(8,612)	25,102	19,504	8,096	(114,218)	39,521,591
Management fees and services	1,065,414	-	-	-	-	-	1,065,414
Rental income	7,064	-	-	-	119,543	-	126,607
Other revenues	<u>178,551</u>	<u>-</u>	<u>7,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>185,615</u>
Total revenues	<u>87,504,603</u>	<u>28,482</u>	<u>218,166</u>	<u>203,994</u>	<u>127,639</u>	<u>(114,218)</u>	<u>87,968,666</u>
Expenses							
Grants and scholarships	25,038,241	-	-	-	-	-	25,038,241
Programs	2,209,480	-	-	-	-	-	2,209,480
Administrative	1,987,284	40,026	738	41,750	195,756	(114,218)	2,151,336
Development	<u>1,453,609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,453,609</u>
Total expenses	<u>30,688,614</u>	<u>40,026</u>	<u>738</u>	<u>41,750</u>	<u>195,756</u>	<u>(114,218)</u>	<u>30,852,666</u>
Other changes							
Transfers (in) out	3,069,496	5,000	76,387	166,331	(578,485)	-	2,738,729
Split interest agreements	<u>126,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,118</u>
Total other changes	<u>3,195,614</u>	<u>5,000</u>	<u>76,387</u>	<u>166,331</u>	<u>(578,485)</u>	<u>-</u>	<u>2,864,847</u>
Increase (decrease) in net assets	53,620,375	(16,544)	141,041	(4,087)	510,368	-	54,251,153
Reclassifications	182,529	-	-	-	-	-	182,529
Net assets at beginning of year	<u>308,915,378</u>	<u>8,492,407</u>	<u>58,549</u>	<u>1,381,573</u>	<u>-</u>	<u>-</u>	<u>318,847,907</u>
Net assets at end of year	<u>\$ 362,718,282</u>	<u>\$ 8,475,863</u>	<u>\$ 199,590</u>	<u>\$ 1,377,486</u>	<u>\$ 510,368</u>	<u>\$ -</u>	<u>\$ 373,281,589</u>

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SUPPLEMENTAL INFORMATION

COMMUNITY FOUNDATION OF THE OZARKS, INC. AND SUPPORTING ORGANIZATIONS
SCHEDULE OF CONSOLIDATED FOUNDATION AND AGENCY FUNDS ACTIVITY

	<u>Year Ended June 30, 2024</u>			<u>Year Ended June 30, 2023</u>		
	<u>Foundation funds</u>	<u>Agency funds</u>	<u>Total</u>	<u>Foundation funds</u>	<u>Agency funds</u>	<u>Total</u>
Revenues						
Contributions	\$ 46,802,389	\$ 20,406,055	\$ 67,208,444	\$ 48,145,968	\$ 29,591,335	\$ 77,737,303
Contributions - nonfinancial	267,050	-	267,050	431,638	-	431,638
Net investment earnings	39,521,591	10,835,397	50,356,988	23,304,449	7,306,704	30,611,153
Management fees received	1,065,414	-	1,065,414	941,209	-	941,209
Rental income	126,607	-	126,607	-	-	-
Other revenues	<u>185,615</u>	<u>-</u>	<u>185,615</u>	<u>190,158</u>	<u>-</u>	<u>190,158</u>
Total revenues	<u>87,968,666</u>	<u>31,241,452</u>	<u>119,210,118</u>	<u>73,013,422</u>	<u>36,898,039</u>	<u>109,911,461</u>
Expenses						
Grants and scholarships	25,038,241	23,961,711	48,999,952	24,337,612	27,315,014	51,652,626
Programs	2,209,480	-	2,209,480	1,580,853	-	1,580,853
Administrative	2,151,336	61,717	2,213,053	2,075,910	17,729	2,093,639
Development	<u>1,453,609</u>	<u>-</u>	<u>1,453,609</u>	<u>1,249,668</u>	<u>-</u>	<u>1,249,668</u>
Total expenses	<u>30,852,666</u>	<u>24,023,428</u>	<u>54,876,094</u>	<u>29,244,043</u>	<u>27,332,743</u>	<u>56,576,786</u>
Other changes						
Transfers (in) out	2,738,729	(2,738,729)	-	(30,828)	30,828	-
Split interest agreements	126,118	-	126,118	(193,348)	-	(193,348)
Management fees paid	<u>-</u>	<u>1,065,414</u>	<u>1,065,414</u>	<u>-</u>	<u>941,209</u>	<u>941,209</u>
Total other changes	<u>2,864,847</u>	<u>(1,673,315)</u>	<u>1,191,532</u>	<u>(224,176)</u>	<u>972,037</u>	<u>747,861</u>
Increase in available funds	54,251,153	8,891,339	63,142,492	43,993,555	8,593,259	52,586,814
Reclassifications	182,529	(182,529)	-	(262,495)	262,495	-
Total - beginning of year	<u>318,847,907</u>	<u>107,286,046</u>	<u>426,133,953</u>	<u>275,116,847</u>	<u>98,430,292</u>	<u>373,547,139</u>
Total - end of year	<u>\$ 373,281,589</u>	<u>\$ 115,994,856</u>	<u>\$ 489,276,445</u>	<u>\$ 318,847,907</u>	<u>\$ 107,286,046</u>	<u>\$ 426,133,953</u>

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**COMMUNITY FOUNDATION OF THE OZARKS, INC. AND SUPPORTING ORGANIZATIONS
SCHEDULE OF AFFILIATE FOUNDATIONS
FOR THE YEAR ENDED JUNE 30, 2024**

<u>#</u> <u>Affiliate name</u>	<u>Year Est.</u>	<u>#</u> <u>Affiliate name</u>	<u>Year Est.</u>
1 Alton Community Foundation	August 2007	29 Houston Community Foundation	April 2006
2 Ash Grove Area Community Foundation	May 2020	30 Jacks Fork Community Foundation	June 2004
3 Aurora Area Community Foundation	September 2006	31 Joplin Regional Community Foundation	December 2006
4 Barton County Community Foundation	May 2015	32 Lockwood Community Foundation	February 1998
5 Benton County Community Foundation	August 1999	33 Marshfield Area Community Foundation	June 2005
6 Bolivar Area Community Foundation	April 2003	34 Meramec Regional Community Foundation	June 2010
7 Bootheel Regional Community Foundation	April 2019	35 Monett Area Community Foundation	September 1998
8 Bourbon Community Foundation	October 2003	36 Mountain Grove Area Community Foundation	February 2004
9 Cabool Community Foundation	December 2020	37 Mt. Vernon Area Community Foundation	March 2005
10 Cape Area Community Foundation	August 2015	38 Neosho Community Foundation	March 2011
11 Carthage Community Foundation	May 1999	39 Nevada/Vernon County Community Foundation	October 2020
12 Cassville Community Foundation	November 2004	40 Nixa Community Foundation	November 1993
13 Community Foundation of Rogersville	November 2015	41 Owensville Area Community Foundation	March 2015
14 Community Foundation of Taney County	April 2002	42 Ozark County Community Foundation	January 2003
15 Community Foundation of the Hermann Area, Inc. (86-1873555) **	June 2005	43 Ozark Foothills Regional Community Foundation	November 2011
16 Community Foundation of the Lake (82-3298970) **	August 2009	44 Perry County Community Foundation	December 2014
17 Community Foundation of West Plains, Inc. (43-1930380) **	March 2004	45 Phelps County Community Foundation*	February 2024
18 Crawford County Foundation, Inc. (43-1941534) **	August 2005	46 Republic Community Foundation	November 2004
19 DACO Community Foundation	August 2006	47 Ripley County Community Foundation	June 2003
20 Dallas County Community Foundation	October 1998	48 Sarcoxie Community Foundation	September 2011
21 Dent County Community Foundation	December 1999	49 St. James Area Community Foundation	May 2003
22 Douglas County Community Foundation	July 2003	50 Ste. Genevieve County Community Foundation	April 2003
23 El Dorado Springs Community Foundation	May 2001	51 Stockton Community Foundation	May 2002
24 Eldon Community Foundation	February 2005	52 Table Rock Lake Community Foundation	March 2004
25 Fair Grove Area Community Foundation	April 2021	53 Truman Lake Community Foundation (43-1728406) **	May 2000
26 Finley River Community Foundation	May 2001	54 Willard Children's Charitable Foundation (84-4969392) **	August 2005
27 Greater Seymour Area Community Foundation	August 1998	55 Willow Springs Community Foundation (43-1622500) **	March 2001
28 Hickory County Community Wellness Foundation	December 1999		

* New affiliate community foundation

** Has own EIN Number

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