



BUILDING



ALLEN



COUNTY



FOELLINGER
FOUNDATION

2022 ANNUAL REPORT



Kids play in the gymnasium at Fort Wayne's Boys & Girls Clubs.



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FOELLINGER.ORG



Carrying Our Legacy Forward

For 65 years, Foellinger Foundation has helped create a community where everyone has the chance to thrive.

We've done this by supporting organizations, programming, and initiatives that serve Allen County residents with the greatest economic need and the least opportunity. Created in 1958 by Helene and Esther Foellinger to carry forward the family's tradition of civic involvement and active concern for the well-being of their community, the Foellinger family's history of investing in Allen County predates our founding.

After purchasing The News-Sentinel in 1922, Oscar Foellinger penned a new column entitled *Building Fort Wayne*, which advocated for improvements to the city and all of Allen County. But he did more than *write* about it—Oscar, with his wife, Esther, and their two daughters, Helene and Loretta, made investments in our city. From civic activism to community service, to philanthropic gifts, this family helped to create some of our city's most prominent establishments and organizations in the name of creating a community of self-reliant citizens.

We proudly reflect on the last fiscal year, knowing we've stayed true to our donor intent and values, and look forward to all we'll continue to accomplish.

Together, we continue to carry forward the family's legacy, and **build a better Allen County.**



Michael C. Moellering
Board Chair



David Bennett
Interim President
& CEO

We Champion Opportunity.

MISSION

Foellinger Foundation provides grants, leadership training, conferences, workshops, and thought-leading speakers to strengthen organizations that serve children and families — particularly those with the greatest economic need and the least opportunity.

WHAT'S IMPORTANT TO US



Early Childhood, Youth, and Family Development

By supporting organizations that provide services to early childhood, youth, and families, we help Allen County citizens become independent, with the ultimate goal of developing interdependence in the community.



Nonprofit Leadership

When we strengthen nonprofit leaders, we strengthen their abilities to serve our communities.



Community Interests and Development

We rally around community organizations, programs, and initiatives that position Allen County residents to thrive.



Individual Philanthropy

We're committed to responsibly stewarding the Foellinger family's philanthropic legacy and encouraging a community of givers.

A 150+ Year Legacy

Foellinger Foundation was created in 1958 by Helene Foellinger and her mother, Esther, but the family has been contributing to the community's growth since the 1800s. Learn more about the family's generational commitment to their values of integrity, accountability, responsibility, and results.



Helene Foellinger's great-grandfather Jacob Foellinger immigrated to the United States from Prussia (Germany) in 1836. He was a shoemaker and owned a shoe and boot store on Calhoun Street.



Jacob joined Fort Wayne's City Council in 1854 and helped launch Fort Wayne's first public schools.



In 1928, Helene Foellinger's father Oscar was named the manager of Herbert Hoover's presidential campaign in the state of Indiana. Hoover garnered nearly 60% of the state's votes, and became the 31st President of the United States.



Oscar served on the board of directors of the Chamber of Commerce, amongst many other organizations. And he demonstrated significant leadership in the local and state initiatives to eradicate tuberculosis.



Helene Foellinger graduated valedictorian of her class at South Side High School in 1928.



Upon Helene Foellinger's graduation from the University of Illinois in 1932, she began her career as a reporter and features writer for *The News-Sentinel*. Soon after, she became editor and columnist for the newspaper's new women's section.



I was greatly shocked to hear of Oscar Foellinger's passing. His town, the state and the country loses a real leader of unfailing service. His lifetime was given to the upbuilding of every thing for which American ideals must stand.

(Signed)
HERBERT HOOVER.

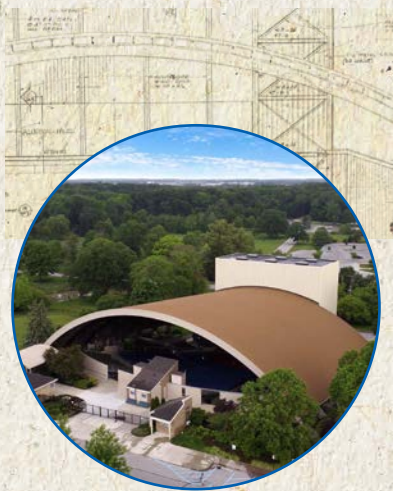
Helene became Publisher of *The News-Sentinel* in 1936 after her father, Oscar Foellinger, died from a heart attack during a hunting trip. Of his death, Herbert Hoover said, "His town, the state, and the country loses a real leader of unfailing service. His lifetime was given to the upbuilding of everything for which American ideals must stand."



Helene was just 25 years old when she became *The News-Sentinel's* Publisher, making her the youngest and one of the few female publishers in the country at the time. She served *The News-Sentinel* for 49 years, retiring in 1981. She was the first woman to be inducted into the Indiana Journalism Hall of Fame.



Helene Foellinger helped fund the Foellinger-Freimann Botanical Conservatory in honor of Esther Foellinger, who had initially suggested the idea decades earlier. Esther was passionate about gardening and nature.



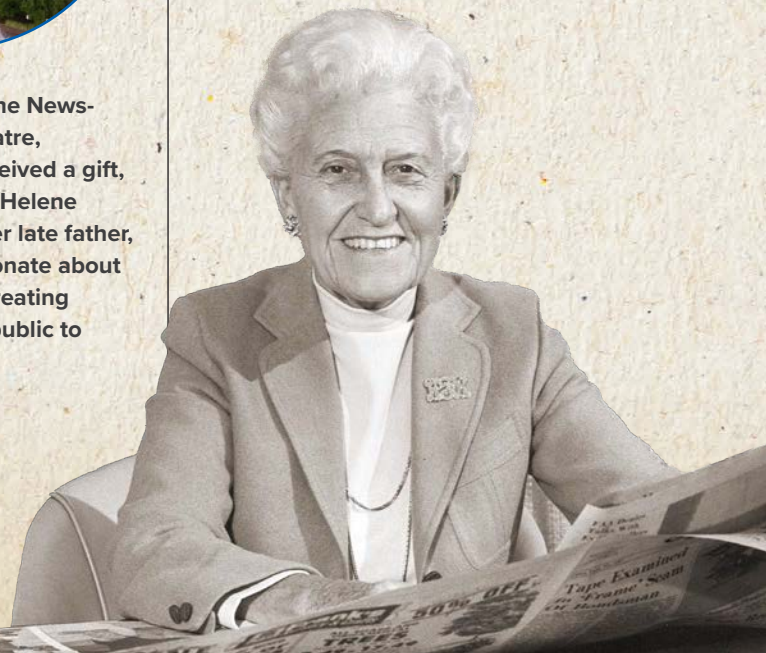
Originally known as The News-Sentinel Outdoor Theatre, Foellinger Theatre received a gift, under the direction of Helene Foellinger, to honor her late father, Oscar, who was passionate about performing arts and creating opportunities for the public to enjoy them together.



The Loretta Foellinger Teeples Gallery at the Fort Wayne Museum of Art was named for Helene's sister, who died in an aviation accident in 1950. She was just 35 years old, and was an active member of the Psi Iota Xi philanthropic sorority.



Helene Foellinger played a critical role in the formation of the Fort Wayne Park Foundation, where she was a charter member-director.



BOARD OF DIRECTORS

Samuel R. Graves
Director

President, Strahm Building Solutions

Janae T. McCullough-Boyd
Vice Chair and Secretary

Founder and CEO, More Than Athletics, LLC

John D. Meyer
Treasurer

Portfolio Manager, Monarch Capital Company

Michael C. Moellering
Chair

Partner, Burt, Blee, Dixon, Sutton & Bloom LLP

Matthew J. Smith, Ph.D.
Director

Sarah M. Strimmenos
Director

Market President/Community and Business
Banking Executive, Old National Bank

STAFF

David Bennett
Interim President & CEO

Mindy Hurley
Accountant

Jennifer Kasmier
Director of Leadership Engagement

Dawn Martz
Chief Program Officer

Darryl Olson
Chief Financial Officer

Bev Pazder
Administrative Assistant

Terry Stevens
Executive Assistant

Jodi Zahm
Grants & Communications Manager





Remembering Janae McCullough-Boyd

1978–2022

Foellinger Foundation commemorates the life of Janae McCullough-Boyd, who passed away December 1, 2022. McCullough-Boyd joined our Board of Directors in 2019, and became Vice Chair in 2022.

After two decades in the private sector, where she served as a senior tax accountant, Janae founded More Than Athletics, LLC, which offers college counseling services for student-athletes.

Foellinger Foundation's Board of Directors had elected Janae as the Foundation's next Board Chair. In a term that would have started on January 1, 2023, McCullough-Boyd would have been the first African-American woman to serve in this role.

Before joining our Board of Directors, Janae McCullough-Boyd served on our Audit Committee in 2015 and 2016, our Investment and Finance Committee in 2017 and 2018, and our LAI Committee in 2018.

In an interview, Janae said:

“

I was a young girl from Anderson, Indiana. I grew up in a single-parent home, and I was the benefactor of a tremendous amount of generosity and graciousness from my community.

To now be part of an organization that uplifts underserved populations is not just an honor, but an amazing and huge responsibility — which I take very seriously.

When I was asked to join the board, tears came to my eyes. Helene Foellinger was an absolute trailblazer, and like her, I have been in many rooms where I am the only one in the room that looks like me. That can be very intimidating. You have to have grit, and you have to muster confidence to show that you deserve to be there. Helene was an inspiration to me.

I am proud to be a steward of Foellinger Foundation's resources, and to help fulfill what Helene and her family set out to do.

Yes, you can give money to different charities and organizations, but the question is, are you making an impact? Are you making an impact in people's lives? ”

We can emphatically say that, yes, Janae, you made an irreplaceable, positive, and life-changing impact on your Foellinger Foundation colleagues, our community, and its residents.



Expanding and Inspiring: Audiences Unlimited



Audiences Unlimited creates cultural experiences that enrich the lives of people with limited access to the arts throughout Northeast Indiana by providing live and digital programming. In 2022, the organization celebrated a significant milestone—its 50th anniversary.

“We continue to grow and evolve in response to the community’s needs,” said Anna Ross, Executive Director of Audiences Unlimited. “We’ve expanded our programming, and even our programming footprint, serving not only Allen County, but DeKalb, Noble, LaGrange, and Steuben counties as well.

“Cultural experiences help shape how we understand ourselves, and identify our role in society. For most of our lives, we get to actively choose to participate. What happens when the choice to create—to make music, dance, paint, and so on—or even to attend an arts event, is taken away?” explained Anna. “We give individuals the chance to participate in events and activities they enjoyed in their independent years, which offers them agency to reenter their community and know that they are still valuable members even as their physical or cognitive abilities decline.”



From programming in long-term care facilities, to adult day academy for individuals with disabilities, to collaborations with other community arts organizations, Audiences Unlimited leverages the arts to promote physical, emotional, and social wellbeing.

“The outcome for everyone participating in our programming is different. But ultimately, we hope that our programs spark memories, create confidence, and help participants realize the magnitude of their potential. They can, and will, do more than they ever thought.”

“In the next 50 years, we will continue to grow our presence as a convener of organizations, artists, and the broader community to further access the arts.”

Thank you, Audiences Unlimited, for engaging and inspiring a community of contributing citizens of all ages and abilities.

Connecting and Innovating: NeighborLink Fort Wayne



Since its founding in 2003, NeighborLink Fort Wayne has evolved to capitalize on technology to help neighbors link arms and help one another — helping Allen County residents recognize their interdependence. Their goal is to create a unified network of neighbors helping neighbors, regardless of where they live or what they look like.

“It’s important to connect community members to their own neighbors because it allows us to see the needs and humanity of those we meet and pass by each day,” said Eric Wood, Executive Director of NeighborLink Fort Wayne. “Our ability to see and love our neighbors in ways that transcend surface-level acquaintanceships is a true gift that can change neighborhoods.”

Community members in need of assistance for specific projects submit a request through NeighborLink’s website, and the projects have ranged from yard work and snow removal to

wheelchair ramps and plumbing needs. Volunteers can find opportunities that are close in proximity to them thanks to GPS technology, and select projects they are best fit to complete.

NeighborLink Fort Wayne’s innovative approach has been replicated in seven other communities through the creation of the NeighborLink Network. These affiliate members use NeighborLink Fort Wayne’s technology, but operate independently of one another.

“Our approach has allowed neighbors who have never met each other get to know each other in real, significant ways. This has encouraged volunteers to spread the message of neighboring, which has increased the number of individuals and communities—such as churches, schools, and organizations—actively serving others. Not only has this affected existing communities but allowed new communities to arise from selfless service to our neighbors.”

“Our hope is that each individual volunteer comes to know the names, stories, and needs of eight neighbors in their vicinity. Our hope for the organizations that choose to volunteer is taking ownership of the needs found on their street and/or immediate community.”

Thank you, NeighborLink, for innovating to build stronger, more connected communities.







Learning and Sharing: Greta McKinney

Greta McKinney has served as MLK Montessori School's Director since 2012. Her professional experience is rich in social services, having worked with a variety of audiences, including those with developmental disabilities and aging populations.

With an undergraduate degree in human services, Greta is passionate about empowering people to be the best they can be. A therapist by trade, she understands the importance of personal and professional development.

"The more I know about who I am, the better I can help other people."

Greta is a participant in Foellinger Foundation's *Sonder Fellowship*, a leadership program focused on convening and uplifting nonprofit leaders who serve the southeast quadrant of Fort Wayne. Greta is also a *Leadership Lab* alum.

"It's been a marvelous opportunity to sit around the table and have raw and transparent conversations with other leaders that are trying to heal our community's wounds. These intentional meetings are true 'mission impact' moments."

Greta lauds her fellow leaders' efforts in Southeast Fort Wayne.

"I've never been invited to a Southeast community gathering that has allowed me to learn not only more about myself, but also about what others in my community are doing—and how we can best support each other. It has built great trust and vulnerability, which has allowed us to grow as leaders individually and together."



Greta celebrated her graduation from the Sonder Fellowship in December 2022.

"I see a huge difference in who I am as a leader, and who we are as an organization, because I have the tools to better serve my community. Everything I learn is not for me to keep. It is for me to share with my staff, my peers, the parents, even the students, who then take it out into their own little communities."

Thank you, Greta, for your commitment to sharing your knowledge—future generations will benefit from it!

2022 GRANTEEES

A

ACRES
Alive Community Outreach
Allen County - Fort Wayne Historical Society
Allen County Public Library
Amani Family Services
American National Red Cross
Arts United
Associated Churches
Audiences Unlimited

B

Big Brothers Big Sisters
Bloom Project
Blue Jacket
Boy Scouts of America
Boys & Girls Clubs
Bridge of Grace
Brightpoint
Building A Stronger Family

C

Cancer Services
Cass Housing
Catholic Charities
Center for Nonviolence
Character & Skills Basketball
Community Foundation of Greater Fort Wayne
Community Harvest Food Bank
Community Transportation Network
Cornerstone Community
Covenant Community
Cross Connections
Crossroad Child & Family Services

D

Dr. Bill Lewis Center for Children
Drive Alive

E

Early Childhood Alliance
East Allen County Schools
East Allen Family Resource Center
East Wayne Street Center
Easterseals Arc of Northeast Indiana
Embassy Theatre
Erin's House for Grieving Children
Euell A. Wilson Center

F

Fort Wayne Ballet
Fort Wayne Children's Zoo
Fort Wayne Cinema Center
Fort Wayne Civic Theatre
Fort Wayne Dance Collective
Fort Wayne Museum of Art
Fort Wayne Park Foundation
Fort Wayne Philharmonic
Fort Wayne Trails
Fort Wayne Youtheatre
Foundation for Art and Music In Elementary Education (FAME)

G

Gateway Woods Family Services
Girl Scouts
Girlz Rock

H

Habitat for Humanity
Harlan Christian Youth Center
Headwaters Counseling
Healthier Moms and Babies
Homebound Meals
Human Agricultural Cooperative
Humane Fort Wayne

I

Interfaith Hospitality Network

J

Junior Achievement

L

Latinos Count
Learning Community
Lifeline Youth & Family Services
Literacy Alliance
Little River Wetlands Project
Long Term Care Ombudsman Program
Lutheran Military Veterans and Families Ministries
Lutheran Social Services of Indiana

M

Martin Luther King Jr. Club
Martin Luther King Montessori School
Matthew 25
Mental Health America
Mind of a Growing Woman
Miss Virginia's Food Pantry
Mustard Seed Furniture Bank

N

NeighborLink Fort Wayne
Northeast Indiana Fund / Northeast Indiana Regional Partnership
Northeast Indiana Innovation Center
Northeast Indiana Positive Resource Connection
Northeast Indiana Public Radio

O

Out Of A Jam

P

Power House Youth Center

Q

Questa Foundation

R

Redemption House Ministry
RemedyLIVE

S

SCAN
Science Central
SCORE Northeast Indiana
Shepherds Hand Community Outreach Center
St. Joseph Community Health Foundation
St. Joseph Missions
St. Vincent de Paul Society Fort Wayne
Stillwater Hospice
Super Shot

T

The Brandon Foundation
The League
The Rescue Mission
Traction Academy Performance
Trees Indiana
Turnstone

U

University of St. Francis / Jesters

V

Vincent Village
Volunteer Center RSVP
Volunteer Lawyer Program

W

Wellspring Interfaith Social Services
World Baseball Academy

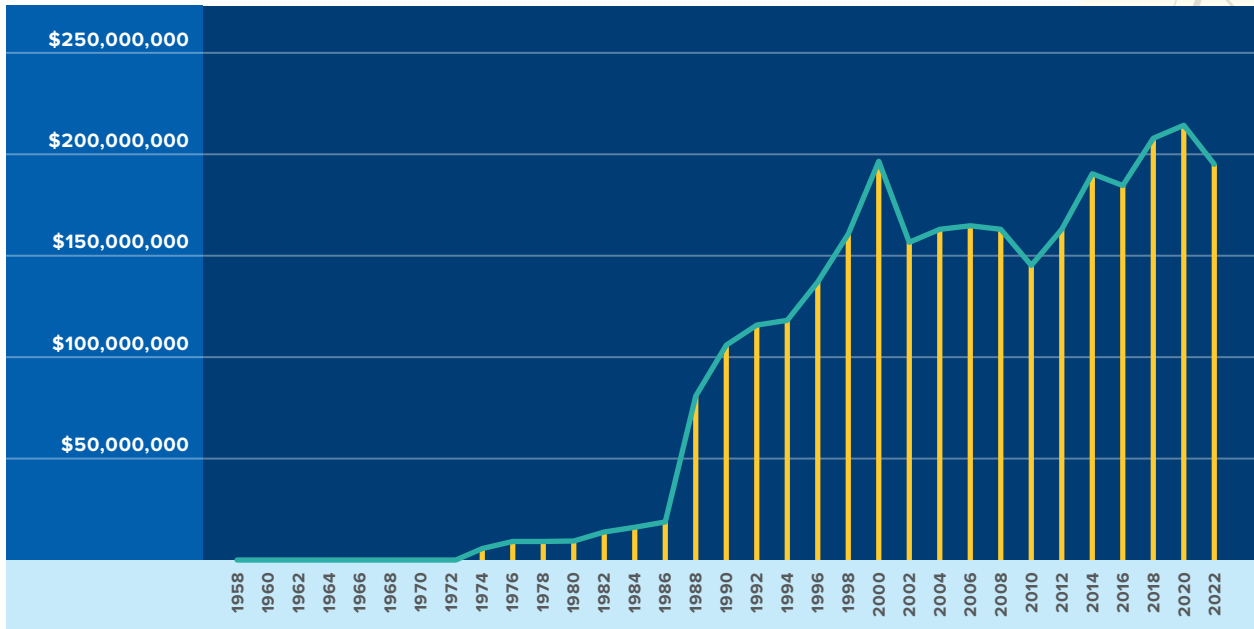
Y

YMCA
Young Leaders of Northeast Indiana
Youth for Christ
YWCA

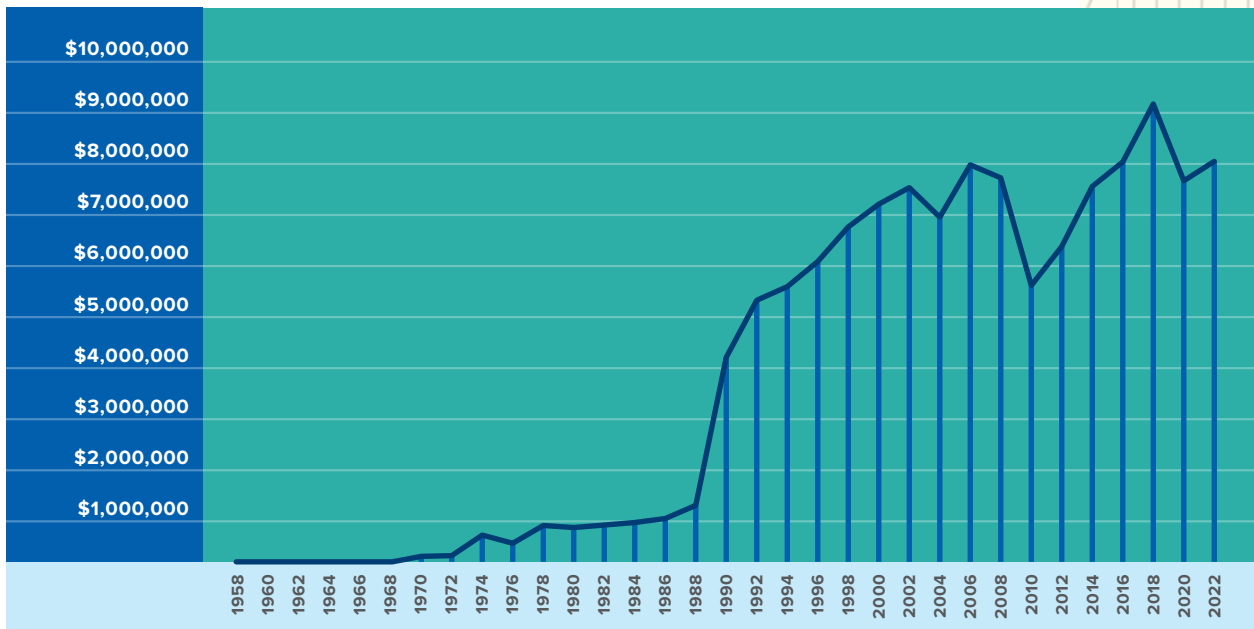


The Center for Nonviolence offers services from their location on Creighton Avenue.

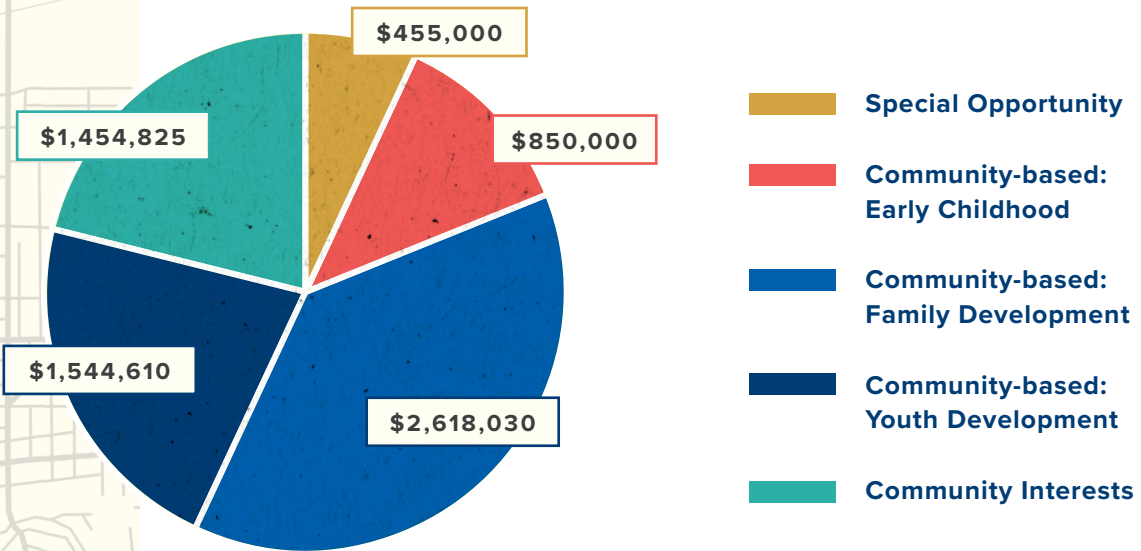
HISTORY OF ASSETS



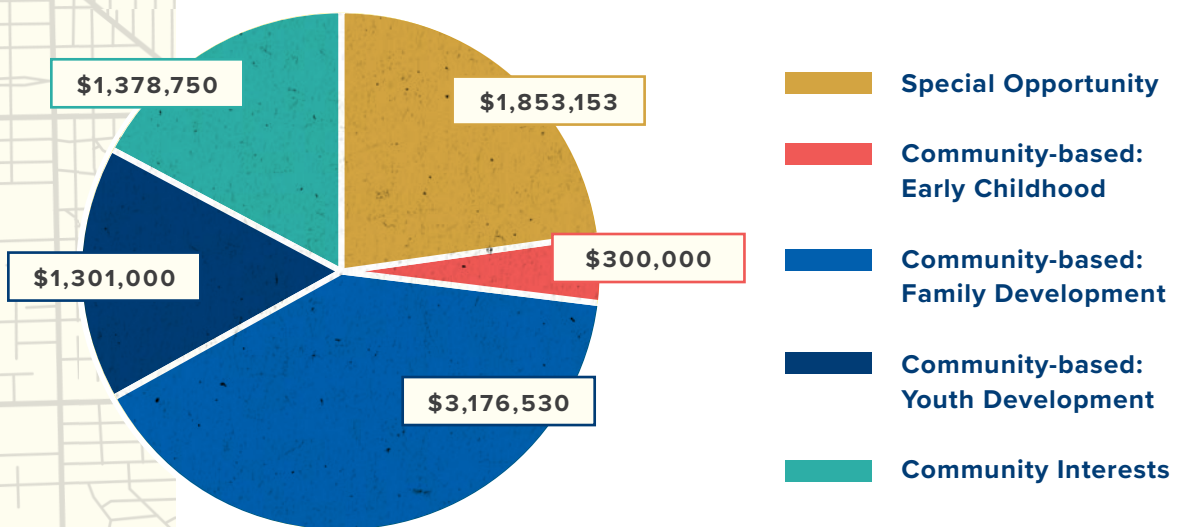
HISTORY OF GRANT PAYMENTS



2022 GRANT APPROVALS



2022 GRANT PAYMENTS



FOUNDATION **AUDIT**

Financial Statements—Modified Cash Basis

FOELLINGER FOUNDATION, INC.

*Years ended August 31, 2022 and 2021
with Independent Auditor's Report*

Foellinger Foundation, Inc.

Financial Statements—Modified Cash Basis

Years ended August 31, 2022 and 2021

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HAINES, ISENBARGER & SKIBA, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Board of Directors
Foellinger Foundation, Inc.

Opinion

We have audited the accompanying financial statements of Foellinger Foundation, Inc. (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets—modified cash basis as of August 31, 2022 and 2021, and the related statements of revenue, and expenses—modified cash basis and functional expenses—modified cash basis for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Foellinger Foundation, Inc. as of August 31, 2022 and 2021, and its revenue and expenses for the years then ended in accordance with the modified cash basis of accounting as described in *Note 1*.

Basis for Opinion

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

Basis of Accounting

We draw attention to *Note 1* of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in *Note 1*, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Foellinger Foundation, Inc.'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 Foellinger Foundation, Inc.'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.



October 4, 2022

Foellinger Foundation, Inc.

Statements of Assets, Liabilities and Net Assets—Modified Cash Basis

| | August 31 | |
|---|------------------------------|------------------------------|
| | 2022 | 2021 |
| Assets | | |
| Cash | \$ 1,210,582 | \$ 443,278 |
| Investments | 192,483,040 | 242,314,100 |
| Property and equipment: | | |
| Land | 851,836 | 851,836 |
| Land improvements | 221,483 | 221,483 |
| Building and improvements | 2,967,687 | 3,034,240 |
| Office furniture and equipment | 172,439 | 341,152 |
| Construction in process | 439,563 | - |
| | <u>4,653,008</u> | <u>4,448,711</u> |
| Less accumulated depreciation | 2,543,962 | 2,665,653 |
| | <u>2,109,046</u> | <u>1,783,058</u> |
| Other assets | 2,092 | 269 |
| Total assets | <u><u>\$ 195,804,760</u></u> | <u><u>\$ 244,540,705</u></u> |
| Liabilities and net assets | | |
| Liabilities—other withholdings | \$ - | \$ 325 |
| Net assets without donor restrictions | 195,804,760 | 244,540,380 |
| Total liabilities and net assets | <u><u>\$ 195,804,760</u></u> | <u><u>\$ 244,540,705</u></u> |

See accompanying notes.

Foellinger Foundation, Inc.

Statements of Revenue and Expenses—Modified Cash Basis

| | Year ended August 31 | |
|--|-----------------------|-----------------------|
| | 2022 | 2021 |
| Revenue —net investment return | \$ (37,337,694) | \$ 40,516,017 |
| Expenses | | |
| Charitable program expenses: | | |
| Grant payments, net | 8,009,433 | 8,405,775 |
| Direct charitable programs | 953,759 | 546,180 |
| Program management | 905,768 | 823,165 |
| | <u>9,868,960</u> | <u>9,775,120</u> |
| Other expenses: | | |
| General administration | 1,474,800 | 987,564 |
| Federal excise tax, net | 54,166 | 33,090 |
| Total expenses | <u>11,397,926</u> | <u>10,795,774</u> |
| Increase (decrease) in net assets without donor restrictions | (48,735,620) | 29,720,243 |
| Net assets without donor restrictions at beginning of year | 244,540,380 | 214,820,137 |
| Net assets without donor restrictions at end of year | <u>\$ 195,804,760</u> | <u>\$ 244,540,380</u> |

See accompanying notes.

Foellinger Foundation, Inc.

Statements of Functional Expenses—Modified Cash Basis

| | Year ended August 31 | | | | | | | | | |
|--|----------------------------|--------------------|---------------------------------|------------------------|----------------------|----------------------------|--------------------|---------------------------------|------------------------|----------------------|
| | 2022 | | | | | 2021 | | | | |
| | Program Services | | | Supporting Activities | Total Expenses | Program Services | | | Supporting Activities | Total Expenses |
| | Direct Charitable Programs | Program Management | Total Program Services Expenses | Management and General | | Direct Charitable Programs | Program Management | Total Program Services Expenses | Management and General | |
| Grant payments, net | \$ 8,009,433 | \$ - | \$ 8,009,433 | \$ - | \$ 8,009,433 | \$ 8,405,775 | \$ - | \$ 8,405,775 | \$ - | \$ 8,405,775 |
| Salaries and benefits | 73,547 | 551,778 | 625,325 | 446,531 | 1,071,856 | - | 546,452 | 546,452 | 398,260 | 944,712 |
| Professional fees | 806,195 | 232,659 | 1,038,854 | 643,800 | 1,682,654 | 384,260 | 225,295 | 609,555 | 274,000 | 883,555 |
| Professional development | 2,595 | 26,474 | 29,069 | 15,274 | 44,343 | 10,467 | 20,405 | 30,872 | 13,312 | 44,184 |
| Occupancy | - | - | - | 154,211 | 154,211 | - | - | - | 126,726 | 126,726 |
| Insurance | - | 4,320 | 4,320 | 14,244 | 18,564 | 1,076 | 3,959 | 5,035 | 14,707 | 19,742 |
| Conferences/travel | 10,269 | 6,129 | 16,398 | 17,096 | 33,494 | 4,627 | 250 | 4,877 | 7,113 | 11,990 |
| Event expenses | 41,987 | - | 41,987 | 2,871 | 44,858 | 130,963 | - | 130,963 | 1,850 | 132,813 |
| Supplies | 19,166 | 186 | 19,352 | 33,731 | 53,083 | 14,787 | 624 | 15,411 | 23,280 | 38,691 |
| Communications/technology | - | 84,222 | 84,222 | 20,261 | 104,483 | - | 26,180 | 26,180 | 21,412 | 47,592 |
| Depreciation | - | - | - | 112,229 | 112,229 | - | - | - | 106,904 | 106,904 |
| Loss on disposal of property and equipment | - | - | - | 14,552 | 14,552 | - | - | - | - | - |
| Federal excise tax | - | - | - | 54,166 | 54,166 | - | - | - | 33,090 | 33,090 |
| Total expenses | \$ 8,963,192 | \$ 905,768 | \$ 9,868,960 | \$ 1,528,966 | \$ 11,397,926 | \$ 8,951,955 | \$ 823,165 | \$ 9,775,120 | \$ 1,020,654 | \$ 10,795,774 |

See accompanying notes.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis

August 31, 2022

1. Organization and Summary of Significant Accounting Policies

The mission of Foellinger Foundation, Inc. (Foundation) is:

to provide grants, leadership training, conferences, workshops, and thought-leading speakers and other forms of support to strengthen organizations that serve children and their families within Allen County, particularly those that serve individuals with the greatest economic need and the least opportunity.

The Foundation is a private, charitable foundation that was created in 1958 by Helene R. Foellinger, *The News-Sentinel's* publisher from 1936 to 1980, and Esther A. Foellinger, her mother. Its funding comes from lifetime gifts from Helene Foellinger, proceeds from Helene and Esther Foellinger's estates, and contributions from The News Publishing Company until *The News-Sentinel* was sold in 1980.

Helene and Esther Foellinger expected their funds would be managed as effectively as possible. The Foundation focuses the Foellinger family gifts strategically. It invests in grants to organizations led by the people who have demonstrated leadership, a relentless focus on mission and a commitment to results. The Foundation strives to help people in Allen County advance from needing help, to helping themselves to helping one another, the measure discernible effects. Each year the Foundation awards millions of dollars in grants to dozens of nonprofits to benefit all residents of Allen County, Indiana.

Basis of Accounting

The Foundation has elected to present its financial statements using the modified cash basis of accounting, which differs from accounting principles generally accepted in the United States of America. Revenue is recognized when received rather than earned with the exception of unrealized gains and losses on investments. Expenses are recognized when paid rather than when incurred. Investments are recorded at fair values based on quoted market prices or dealer quotes. Purchased assets with estimated useful lives of more than one year are capitalized and depreciated or amortized over the asset lives. The financial statements are not intended to comply with accounting principles generally accepted in the United States of America.

Cash

All highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents, except those short-term investments managed as part of long-term investment strategies. The Foundation maintains its cash with a high credit quality financial institution. From time to time during the year, the Foundation's cash accounts exceeded federally insured limits primarily due to the transfer of funds to pay for grants awarded.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

1. Organization and Summary of Significant Accounting Policies (continued)

Investments

Investments are reported at fair value. Net investment return is reported in the statements of revenue and expenses—modified cash basis and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses. 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. See *Note 3* for discussion of fair value measurements.

Purchases and sales are recorded on a settlement-date basis. Interest income and dividends are recorded on a received or payment date basis. Capital gain distributions are included in realized gains.

Net realized and unrealized investment gains or losses are determined by comparison of asset cost, using the specific identification method, to net proceeds received at the time of sale and changes in the difference between market values and cost, respectively.

The Foundation's investment portfolio consists of a diverse mix of investments, without concentration of risk by type, industry or geographic area, which are managed by professional investment managers in compliance with the investment policy established by the Board of Directors. Investments are exposed to various risks, such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of investments may occur in the near term and that such changes could materially affect account balances.

Property and Equipment

Property and equipment are stated at cost or if donated, at fair market value at date of donation, except for property and equipment that have been impaired. For impaired assets, the carrying amount is reduced to the estimated fair market value. There were no impaired property or equipment assets as of August 31, 2022 or 2021. The Foundation capitalizes building improvements which cost \$5,000 or more and other fixed assets which cost \$2,500 or more and have a useful life of one year or more.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

1. Organization and Summary of Significant Accounting Policies (continued)**Property and Equipment (continued)**

Depreciation is computed by the straight-line method over the following estimated useful lives:

| | |
|--------------------------------|-------------|
| Land improvements | 15 years |
| Building | 40 years |
| Building improvements | 15-20 years |
| Office furniture and equipment | 3-10 years |

Expenditures for normal repairs and maintenance are expensed when paid.

Use of Estimates

Preparation of the financial statements using the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Liquidity

The Foundation's financial assets available to meet cash needs for general expenditures within one year of August 31 include:

| | August 31 | |
|--------------------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| Cash | \$ 1,210,600 | \$ 443,300 |
| Money market fund | 769,400 | 460,400 |
| Commercial paper | 2,903,100 | 4,595,600 |
| Fixed income investments | 47,333,800 | 56,152,700 |
| Investments at net asset value | 141,476,700 | 181,105,300 |
| Other assets | 2,100 | 300 |
| | <u>\$ 193,695,700</u> | <u>\$ 242,757,600</u> |

The Foundation structures its financial assets to be available and liquid as its general expenditures become due. Although the Foundation does not intend to liquidate financial assets other than for amounts needed for general expenditures budgeted during the year, these amounts could be made available if necessary.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

2. Liquidity (continued)

The Foundation's financial assets are not subject to donor or other contractual restrictions. The Foundation endeavors to maintain six weeks of planned expenditures, approximately \$1,200,000, at the beginning of each month. To manage liquidity, the Foundation forecasts its monthly planned expenditures and then liquidates a portion of its investments each month. The selection process for investment liquidation is based upon the Foundation's tactical asset allocation.

Proceeds from the sale of fixed income investments are available three business days after the trade date. Proceeds from the sale of investments at net asset value are available on the first business day of each month.

3. Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820 (ASC 820), *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

3. Fair Value Measurements (continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at August 31, 2022 and 2021.

Money Market Funds: Valued at the quoted market prices in an exchange and active market, which represent the net asset value (NAV) of shares owned by the Foundation at year-end.

Government Bonds, Government Agency Bonds, Municipal Bonds and Corporate Bonds: Valued based on a compilation of primary observable market information or broker quotes in non-active markets.

Preferred Securities: The preferred securities held by the Foundation are hybrid securities with characteristics of both subordinated debt and preferred stock. These securities are valued at the closing market price on the active market on which the underlying securities are traded.

Commingled Global Equity Fund: Valued at the NAV of units of the commingled global equity fund. The fund seeks to add value above the return of its benchmark, the Morgan Stanley Capital International (MSCI) All Country World Index (ACWI), over a full market cycle while reducing risk through diversification of manager allocations. The fund may invest in equity securities of foreign companies and may use derivatives as part of its investment strategy, including futures, options, foreign currency contracts and swaps. The investment manager of the fund claimed an exemption under Commodity Futures Trading Commission Rule 4.7, which provides the investment manager an exemption from regulation as a commodity pool operating with respect to the fund. Pursuant to this rule, the investment manager is not required to comply with the disclosure, reporting and recordkeeping requirements generally applicable to registered commodity pool operators.

The NAV, as provided by the administrator of the fund, Commonfund Asset Management Company, Inc., a wholly owned subsidiary of The Common Fund for Nonprofit Organizations, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities, and then divided by the number of shares outstanding. The commingled global equity fund has monthly redemptions and five day trading terms. The commingled global equity fund has no unfunded commitments as of August 31, 2022 and 2021.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

3. Fair Value Measurements (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of August 31, 2022 and 2021:

| | Assets at Fair Value as of August 31, 2022 | | | |
|---|---|----------------------|----------------|----------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Money market funds | \$ 3,672,561 | \$ - | \$ - | \$ 3,672,561 |
| Fixed-income securities | | | | |
| Government bonds | - | 14,053,386 | - | 14,053,386 |
| Government agency bonds | - | 5,756,681 | - | 5,756,681 |
| Municipal bonds | - | 7,470,049 | - | 7,470,049 |
| Corporate bonds | - | 19,556,474 | - | 19,556,474 |
| Preferred securities | - | 497,206 | - | 497,206 |
| | <u>\$ 3,672,561</u> | <u>\$ 47,333,796</u> | <u>\$ -</u> | <u>51,006,357</u> |
| Commingled global equity fund measured at net asset value | | | | <u>141,476,683</u> |
| Total investments at fair value | | | | <u>\$192,483,040</u> |

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

3. Fair Value Measurements (continued)

| | Assets at Fair Value as of August 31, 2021 | | | |
|---|--|----------------------|-------------|----------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Money market funds | \$ 5,056,060 | \$ - | \$ - | \$ 5,056,060 |
| Fixed-income securities | | | | |
| Government bonds | - | 14,316,002 | - | 14,316,002 |
| Government agency bonds | - | 9,062,221 | - | 9,062,221 |
| Municipal bonds | - | 8,987,407 | - | 8,987,407 |
| Corporate bonds | - | 23,218,750 | - | 23,218,750 |
| Preferred securities | - | 568,370 | - | 568,370 |
| | <u>\$ 5,056,060</u> | <u>\$ 56,152,750</u> | <u>\$ -</u> | <u>61,208,810</u> |
| Commingled global equity fund measured at net asset value | | | | <u>181,105,290</u> |
| Total investments at fair value | | | | <u>\$242,314,100</u> |

4. Employee Benefit Plan

The Foundation maintains a defined contribution benefit plan for the benefit of employees who have completed one year of service. The Foundation provides a matching contribution of 100 percent of the employee's contribution up to 1.5 percent of eligible employee compensation and a fixed contribution of 10 percent of eligible employee compensation. The Foundation's contribution to the plan was \$99,032 and \$64,999 for the years ended August 31, 2022 and 2021, respectively.

5. Federal Excise Taxes

The United States Treasury Department has advised that the Foundation is exempt from federal income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code. The Foundation is subject to federal excise taxes imposed on private foundations at 1.39 percent. The excise tax is imposed on net investment income, as defined under federal law, which includes interest, dividends and net realized gains on the sale of investments. Management believes the Foundation is no longer subject to examination, by tax authorities for the year before August 31, 2019.

Foellinger Foundation, Inc.

Notes to Financial Statements—Modified Cash Basis (continued)

6. Grant Commitments

At August 31, 2022, the Foundation had approved, but not yet paid, unconditional grants and conditional future grants of \$5,667,700 through 2024 which, based on specific grant agreements, are expected to be paid as follows:

| | |
|----------------------------|---------------------|
| Year ended August 31, 2023 | \$ 4,174,000 |
| Year ended August 31, 2024 | <u>1,493,700</u> |
| | <u>\$ 5,667,700</u> |

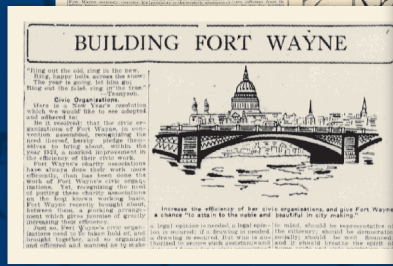
7. Subsequent Events

Management has evaluated subsequent events through October 4, 2022, the date on which the financial statements were available to be issued.



Thank you to Allen County's nonprofit leaders, staffs, board members, and volunteers—and the generous donors who support them. Your commitment moves us closer to a community of self-reliant citizens, every day, and we remain committed to supporting your important work. **Together, we champion opportunity.**

...with a legal opinion as to the survey and an abstract of its title of the land. The committee called and discussed the question again: "Suppose we had of the ordinary citizen a petition to the board of the county, one that would be a busy man's work."



The title of this annual report, "Building Allen County," was inspired by Oscar Foellinger's News-Sentinel columns titled "Building Fort Wayne."



FOELLINGER
F O U N D A T I O N

EST. 1958

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