



DASZKALBOLTON
accountants & advisors

The Education Foundation of Palm Beach County, Inc.

Financial Statements

June 30, 2022 and 2021

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Independent Auditors' Report

To the Board of Directors
The Education Foundation of Palm Beach County, Inc.
Boynton Beach, Florida

We have audited the accompanying financial statements of The Education Foundation of Palm Beach County, Inc. (the "Organization"), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses and cash flows 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 financial position of the Organization as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one (1) year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion.

Continued from previous page

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 the Organization'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 the Organization'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.

Allyson Balbon LLP

Boca Raton, Florida
April 11, 2023

The Education Foundation of Palm Beach County, Inc.
 Statements of Financial Position
 June 30, 2022 and 2021

	<u>Assets</u>	
	<u>2022</u>	<u>2021</u>
Current assets:		
Cash	\$ 3,503,342	\$ 2,732,449
Supplies inventory	602,197	601,044
Total current assets	<u>4,105,539</u>	<u>3,333,493</u>
Long-term assets:		
Investments	327,078	354,509
Other assets	42,991	85,187
Property and equipment, net	108,178	54,574
Total long-term assets	<u>478,247</u>	<u>494,270</u>
 Total assets	 <u>\$ 4,583,786</u>	 <u>\$ 3,827,763</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable	\$ 119,070	\$ 1,938
Accrued expenses and other liabilities	22,936	37,131
Pass-through funds payable	1,183,091	1,194,720
Total current liabilities	<u>1,325,097</u>	<u>1,233,789</u>
 Total liabilities	 <u>1,325,097</u>	 <u>1,233,789</u>
Net assets:		
Without donor restriction	2,429,173	1,756,878
With donor restriction	829,516	837,096
Total net assets	<u>3,258,689</u>	<u>2,593,974</u>
 Total liabilities and net assets	 <u>\$ 4,583,786</u>	 <u>\$ 3,827,763</u>

See accompanying notes to financial statements.

The Education Foundation of Palm Beach County, Inc.
Statements of Activities and Changes in Net Assets
For the Years Ended June 30, 2022 and 2021

	Year Ended June 30, 2022			Year Ended June 30, 2021		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
Support and revenue:						
Contributions and grants	\$ 1,095,446	\$ 270,973	\$ 1,366,419	\$ 1,002,356	\$ 437,280	\$ 1,439,636
In-kind contributions and contributed services	12,000	1,464,068	1,476,068	12,000	1,181,846	1,193,846
Paycheck protection program loan forgiveness	-	-	-	89,859	-	89,859
Other income	7,712	21,339	29,051	11,417	21,462	32,879
Net assets released from restriction	1,763,960	(1,763,960)	-	1,822,402	(1,822,402)	-
Total support and revenue	<u>2,879,118</u>	<u>(7,580)</u>	<u>2,871,538</u>	<u>2,938,034</u>	<u>(181,814)</u>	<u>2,756,220</u>
Expenses:						
Program services:						
Career Education	552,441	-	552,441	270,652	-	270,652
Go Teach	170,580	-	170,580	115,931	-	115,931
Academic Improvement / AVID	64,983	-	64,983	70,339	-	70,339
Red Apple Store	592,650	-	592,650	318,479	-	318,479
Other programs	268,793	-	268,793	1,018,069	-	1,018,069
Total program services	<u>1,649,447</u>	<u>-</u>	<u>1,649,447</u>	<u>1,793,470</u>	<u>-</u>	<u>1,793,470</u>
Management and general	193,837	-	193,837	268,857	-	268,857
Development	363,539	-	363,539	190,477	-	190,477
Total expenses	<u>2,206,823</u>	<u>-</u>	<u>2,206,823</u>	<u>2,252,804</u>	<u>-</u>	<u>2,252,804</u>
Changes in net assets	672,295	(7,580)	664,715	685,230	(181,814)	503,416
Net assets at beginning of year	<u>1,756,878</u>	<u>837,096</u>	<u>2,593,974</u>	<u>1,071,648</u>	<u>1,018,910</u>	<u>2,090,558</u>
Net asset at end of year	<u>\$ 2,429,173</u>	<u>\$ 829,516</u>	<u>\$ 3,258,689</u>	<u>\$ 1,756,878</u>	<u>\$ 837,096</u>	<u>\$ 2,593,974</u>

See accompanying notes to financial statements.

The Education Foundation of Palm Beach County, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2022

	Program Services					Support Services			
	Career Education	Go Teach	Academic Improvement	Red Apple Store	Other Programs	Total	Management and General	Development	Total
Payroll wages	\$ -	\$ -	\$ -	\$ 204,651	\$ 222,176	\$ 426,827	\$ 70,424	\$ 189,700	\$ 686,951
Contract labor	298,264	7,795	9,250	-	490	315,799	-	-	315,799
School supplies	21,060	-	-	294,434	-	315,494	-	-	315,494
Program management	224,599	6,152	-	4,564	3,947	239,262	-	-	239,262
Grants and awards	-	156,633	-	29,103	15,868	201,604	12,000	14,180	227,784
Professional fees	-	-	-	-	-	-	50,668	46,180	96,848
Programs supplies	-	-	26,168	3,729	24,126	54,023	-	18,025	72,048
Banquets	-	-	-	-	-	-	-	70,837	70,837
Conferences and training	8,518	-	29,565	-	45	38,128	8,731	8,346	55,205
Program equipment	-	-	-	28,838	-	28,838	-	-	28,838
Other expenses	-	-	-	31	478	509	23,155	-	23,664
Insurance	-	-	-	7,846	-	7,846	8,513	569	16,928
Membership dues	-	-	-	-	-	-	10,527	5,749	16,276
Printing, postage and supplies	-	-	-	5,570	-	5,570	2,119	6,871	14,560
Depreciation expense	-	-	-	11,489	-	11,489	-	-	11,489
Occupancy costs	-	-	-	43	971	1,014	7,700	-	8,714
Marketing	-	-	-	2,352	692	3,044	-	3,082	6,126
	<u>\$ 552,441</u>	<u>\$ 170,580</u>	<u>\$ 64,983</u>	<u>\$ 592,650</u>	<u>\$ 268,793</u>	<u>\$ 1,649,447</u>	<u>\$ 193,837</u>	<u>\$ 363,539</u>	<u>\$ 2,206,823</u>

See accompanying notes to financial statements.

The Education Foundation of Palm Beach County, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2021

	Program Services					Support Services			
	Career Education	Go Teach	Academic Improvement	Red Apple Store	Other Programs	Total	Management and General	Development	Total
Digital inclusion	\$ -	\$ -	\$ -	\$ -	\$ 886,393	\$ 886,393	\$ -	\$ -	\$ 886,393
Payroll wages	-	-	693	144,789	123,806	269,288	169,374	147,348	586,010
Program management	165,498	13,063	-	3,200	-	181,761	-	-	181,761
School supplies	-	-	-	144,387	-	144,387	-	-	144,387
Contract labor	102,500	3,000	13,375	325	-	119,200	-	-	119,200
Grants and awards	500	98,068	-	-	-	98,568	12,000	605	111,173
Professional fees	-	-	-	-	-	-	46,090	16,062	62,152
Conferences and training	2,154	1,800	44,945	112	-	49,011	1,307	5,703	56,021
Programs supplies	-	-	11,326	1,769	5,030	18,125	8,236	-	26,361
Other expenses	-	-	-	706	-	706	18,116	-	18,822
Membership dues	-	-	-	-	-	-	4,599	9,575	14,174
Insurance	-	-	-	5,612	-	5,612	6,391	-	12,003
Marketing	-	-	-	-	2,840	2,840	281	8,084	11,205
Printing, postage and supplies	-	-	-	4,144	-	4,144	2,409	897	7,450
Depreciation expense	-	-	-	4,816	-	4,816	-	-	4,816
Program equipment	-	-	-	4,534	-	4,534	-	-	4,534
Occupancy costs	-	-	-	4,085	-	4,085	54	-	4,139
Banquets	-	-	-	-	-	-	-	2,203	2,203
	<u>\$ 270,652</u>	<u>\$ 115,931</u>	<u>\$ 70,339</u>	<u>\$ 318,479</u>	<u>\$ 1,018,069</u>	<u>\$ 1,793,470</u>	<u>\$ 268,857</u>	<u>\$ 190,477</u>	<u>\$ 2,252,804</u>

See accompanying notes to financial statements.

The Education Foundation of Palm Beach County, Inc.
 Statements of Cash Flows
 For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ 664,715	\$ 503,416
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Paycheck protection program loan forgiveness	-	(89,859)
Depreciation	11,489	4,753
Changes in operating assets and liabilities:		
Contributions and grants receivable	-	72,029
Supplies inventory	(1,153)	(126,259)
Other assets	69,680	(29,553)
Accounts payable and accrued expenses	102,937	(54,250)
Pass-through funds payable	(11,628)	89,087
Net cash provided by operating activities	<u>836,040</u>	<u>369,364</u>
Cash flows from investing activities		
Purchases of property and equipment	(65,147)	(57,446)
Net cash used in investing activities	<u>(65,147)</u>	<u>(57,446)</u>
Increase in cash	770,893	311,918
Cash, beginning of year	<u>2,732,449</u>	<u>2,420,531</u>
Cash, end of year	<u>\$ 3,503,342</u>	<u>\$ 2,732,449</u>

See accompanying notes to financial statements.

Note 1 – Nature of Foundation

The Education Foundation of Palm Beach County, Inc. (the "Foundation") is a nonprofit corporation established in 1984 by Palm Beach County business leaders to serve as the philanthropic support Foundation for K-12 public education. The Foundation partners closely with the School District of Palm Beach County and the greater business and charitable community to fund programs that close achievement gaps in learning and create positive, measurable change for students. Through a unique matching grant program, the Foundation works with corporate and private investors to fund innovative projects and curriculum that improve literacy and grade-level performance, increase graduation rates, support STEM and career academies, target support to low-performing students and schools, and provide disadvantaged students with free school supplies throughout the year. The Foundation fosters excellence in teaching and leadership by funding direct classroom grants, recognizing educators who excel, and providing quality professional development.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Foundation's financial statements are prepared on the accrual basis of accounting in accordance with the provisions of Financial Accounting Standards Board in its Accounting Standards Update ("FASB ASU") 2016-14 *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit-Entities*. Under FASB ASU 2016-14, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Financial Statement Presentation

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

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity.

Generally, contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. All contributions are considered available for general use, unless specifically restricted by the donor or subject to other legal restrictions.

Note 2 – Summary of Significant Accounting Policies, continued

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the programs and other activities have been summarized on a functional basis in the accompanying statements of activities and changes in net assets. Certain program and support expenses, such as salaries, benefits and other administrative costs, are allocated among program services, general and administrative and fundraising based on management’s analysis of these costs.

Contributions and Program Revenue

Contributions received are recorded as revenue without donor restricted net assets or with donor restricted net assets depending on the existence or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

In-kind Contributions

Contributed services and materials are reflected in the financial statements at their estimated fair value at the date of receipt. Contributed services are recognized as contributions if the services: (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise have been purchased. Contributed services from individual volunteers performing a variety of tasks that do not require specialized skills to assist the Foundation in carrying out its mission are not recognized in the financial statements.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments, for general operating purposes, with a maturity date of three (3) months or less at date of purchase to be cash equivalents. At times during the year, the Foundation maintains balances with financial institutions which may exceed the federally insured limit of \$250,000. At June 30, 2022 and 2021, the Foundation’s uninsured cash balances were approximately \$2,206,000 and \$1,520,000, respectively. The Foundation has not experienced any losses on such accounts and does not feel it is exposed to any significant risk with respect to cash and cash equivalents.

Contributions and Grants Receivable

Receivables are stated at the amount of the uncollected balance less an allowance for doubtful accounts, if considered necessary. Management periodically evaluates the adequacy of the allowance based on past experience and adverse situations that may affect the donor or grantor’s ability to pay. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recognized as revenue when received. There were no receivables at June 30, 2022 and 2021, respectively.

Note 2 – Summary of Significant Accounting Policies, continued

Inventory

Inventory consists of school supplies held for distribution at the Red Apple Supply Store. Donated items are valued at their estimated fair value. Purchased items are recorded at the lower of cost or net realizable value.

Investments

Investments are stated at fair value and have been categorized based upon a fair value hierarchy, in accordance with FASB Accounting Standards Codification (“ASC”) 820, *Fair Value Measurements*. The investments held at June 30, 2022 and 2021, respectively, consisted of money market balances and mutual funds. The Foundation’s investments are being held for the benefit of certain pass-through contributors. As such, all investments earnings as well as portfolio gains and losses are recorded as changes to the related pass-through payable.

Property and Equipment

Property and equipment is capitalized at cost, if purchased, or, if acquired by contribution, at the estimated fair value on the date of contribution. The Foundation provides for depreciation on property and equipment over the useful lives of three (3) to five (5) years on the related depreciable assets using the straight-line method.

Income Taxes

The Foundation is a not-for-profit Foundation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (“IRC”). Accordingly, no provision for income taxes has been recorded in the financial statements. The Foundation is required to operate in conformity with the provisions of the IRC to maintain its exempt status. The Foundation’s tax years subject to examination by tax authorities generally remain open for three (3) years from the date of filing.

Fair Value of Financial Instruments

FASB ASC 825, *Disclosure About Fair Value of Financial Instruments*, requires certain disclosures regarding the fair value of financial instruments. The Foundation estimates that the fair value of all financial instruments at June 30, 2022 and 2021, respectively, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statements of financial position. The estimated fair value amounts have been determined by the Foundation using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value, and, accordingly, the estimates are not necessarily indicative of the amounts that the Foundation could realize in a current market exchange.

Recent Accounting Pronouncement

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. The new standard establishes a right-of-use (“ROU”) model that requires a lessee to record a ROU asset and a lease liability on the statements of financial position for all leases with terms longer than twelve (12) months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of functional expenses. Due to the COVID-19 pandemic, relief has been offered by the FASB and the effective date has been extended to fiscal years beginning after December 15, 2021, with early adoption permitted. The Foundation is currently evaluating the potential impact of this ASU on the financial statements.

Note 2 – Summary of Significant Accounting Policies, continued

Date of Management's Review

Management evaluated the Foundation's activity through April 10, 2023, the date on which the financial statements were available to be issued, for events that require recognition in the financial statements or disclosure in the notes thereto.

Note 3 – Liquidity and Availability of Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30, 2022:

Financial assets:	
Cash	\$ 3,503,342
Investments	327,078
Total financial assets	<u>3,830,420</u>
Financial assets not available for general expenditure:	
Pass-through funds payable	<u>1,183,145</u>
Total financial assets available for general expenditure	<u><u>\$ 2,647,275</u></u>

The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Note 4 – Property and Equipment

Property and equipment consisted of the following as of June 30:

	<u>2022</u>	<u>2021</u>
Machinery and equipment	\$ 96,926	\$ 96,926
Construction in process	65,093	-
Less: accumulated depreciation	<u>(53,841)</u>	<u>(42,352)</u>
Property and equipment, net	<u><u>\$ 108,178</u></u>	<u><u>\$ 54,574</u></u>

Depreciation expense amounted to \$11,489 and \$4,753 for the years ended June 30, 2022 and 2021, respectively.

Note 5 – Notes Payable

During April 2020, the Foundation was granted a loan from a financial institution for the aggregate amount of \$89,859 pursuant to the Paycheck Protection Program (“PPP”) under Division A, Title I of the CARES Act. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. On January 7, 2021, the Foundation received official notice from the Small Business Administration for the full forgiveness of the outstanding PPP loan balance totaling \$89,859.

Note 6 – Commitments and Contingencies

Significant Concentrations

The Foundation operates exclusively in Palm Beach County, Florida, and is subject, to some extent, to economic conditions and fluctuations in that geographic area.

Operating Lease Agreement

The Foundation leases space for the Red Apple Supply Store and warehouse pursuant to a lease agreement with the School Board of Palm Beach County that expires on June 30, 2023. The annual rental for the property is \$1. The agreement requires that other operating and maintenance costs of running the facility be paid by the Foundation. The lease is accounted for as an exchange transaction due to the nature of the Foundation’s standby commitments.

Note 7 – Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Purpose restrictions:		
Red Apple Supply store	\$ 738,193	\$ 774,618
Other programs	3,761	45,118
Capital Campaign	87,562	-
Career education	-	17,360
Total purpose restrictions	<u>\$ 829,516</u>	<u>\$ 837,096</u>

Note 8 – Net Assets Released from Donor Restriction

Net assets released from donor restriction consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Purpose restrictions:		
Other programs	\$ 637,699	\$ 1,240,889
Red Apple Supply store	577,559	290,721
Career education	483,609	290,792
Capital Campaign	65,093	-
Total purpose restrictions	<u>\$ 1,763,960</u>	<u>\$ 1,822,402</u>

Note 9 – Fair Value Measurements

Certain financial assets are recorded at fair value. Fair value is defined as the price that would be received to sell an asset between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset with the greatest volume and level of activity for the asset is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset with the price that maximizes the amount that would be received. Fair value is based on assumptions market participants would make in pricing the asset. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the reporting entity should use valuation models.

The Foundation's assets recorded at fair value are categorized based on the priority of the inputs used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

Level 1 - Inputs are based upon quoted prices for identical instruments traded in active markets.

Level 2 - Inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment.

Level 3 - Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The following section describes the valuation methodologies the Foundation uses to measure its assets at fair value.

- Money market funds and mutual funds are valued at the quoted net asset value of shares reported in the active market in which the funds are traded.

The Education Foundation of Palm Beach County, Inc.
Notes to Financial Statements

Note 9 – Fair Value Measurements, continued

Fair Value on a Recurring Basis

Investments measured at fair value on a recurring basis are summarized below:

At June 30, 2022				
Description	Assets	Fair Value Hierarchy Level		
	Measured at			
	Fair Value	Level 1	Level 2	Level 3
Money market funds	\$ 67,370	\$ 67,370	\$ -	\$ -
Mutual funds	259,708	259,708	-	-
Total investments	<u>\$ 327,078</u>	<u>\$ 327,078</u>	<u>\$ -</u>	<u>\$ -</u>

At June 30, 2021				
Description	Assets	Fair Value Hierarchy Level		
	Measured at			
	Fair Value	Level 1	Level 2	Level 3
Money market funds	\$ 21,203	\$ 21,203	\$ -	\$ -
Mutual funds	333,306	333,306	-	-
Total investments	<u>\$ 354,509</u>	<u>\$ 354,509</u>	<u>\$ -</u>	<u>\$ -</u>

Note 10 – Pass-Through Contributions

The Foundation administers certain contributions in the capacity as intermediary. The majority of these funds come from other non-profit organizations, in particular the School District of Palm Beach County. The Foundation considers the use of such funds to be consistent with the mission. However, since the Foundation does not have discretion as to the ultimate recipient of these funds, they are considered “pass-throughs” and as such, have not been recognized as revenue in accompanying financial statements.