

**AKRON COMMUNITY FOUNDATION
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL REPORT

MARCH 31, 2025
**(With Summarized Comparative Information
as of March 31, 2024)**



AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

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Independent Auditors' Report

To the Board of Directors of
Akron Community Foundation and Subsidiaries
Akron, Ohio

Opinion

We have audited the accompanying consolidated financial statements of Akron Community Foundation and Subsidiaries (a nonprofit organization), which comprise the consolidated statement of financial position as of March 31, 2025, and the related consolidated statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of Akron Community Foundation and Subsidiaries as of March 31, 2025, and the changes in their net assets and their 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 Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of Akron Community Foundation and Subsidiaries 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 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 consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Akron Community Foundation and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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 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 Akron Community Foundation and Subsidiaries' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Akron Community Foundation and Subsidiaries' 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 Akron Community Foundation and Subsidiaries 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 12, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Cleveland, Ohio
September 3, 2025

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31, 2025
(With Comparative Totals at March 31, 2024)
(Amounts in thousands)

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 136	\$ 207
Prepaid expenses	120	136
Contributions receivable, net	163	59
Note receivable, net	-	87
Property and equipment, net	2,933	3,071
Accrued investment income	316	379
Cash surrender value of life insurance	129	125
Investments	251,623	244,105
Funds held as agency endowment obligations	37,346	35,839
Beneficial interest in perpetual trusts	12,141	12,583
Real property held for investment	<u>550</u>	<u>552</u>
Total assets	<u>\$ 305,457</u>	<u>\$ 297,143</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Grants approved for future payment	\$ 395	\$ 285
Accounts payable and other liabilities	1,200	1,184
Funds held as agency endowment obligations	<u>37,346</u>	<u>35,839</u>
Total liabilities	38,941	37,308
 <u>NET ASSETS</u>		
Without donor restrictions	254,375	247,252
With donor restrictions	<u>12,141</u>	<u>12,583</u>
Total net assets	<u>266,516</u>	<u>259,835</u>
Total liabilities and net assets	<u>\$ 305,457</u>	<u>\$ 297,143</u>

The accompanying notes are an integral part of these financial statements.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended March 31, 2025

(With summarized comparative financial information for the year ended March 31, 2024)

(Amounts in thousands)

	2025			
	Without Donor Restrictions	With Donor Restrictions	Total	2024
REVENUES AND OTHER SUPPORT				
Contributions and grants	\$ 18,645	\$ -	\$ 18,645	\$ 24,426
Investment income, net	6,755	-	6,755	8,045
Net appreciation on investments	3,766	-	3,766	26,210
Change in beneficial interest in perpetual trusts	-	(442)	(442)	1,576
Less amounts for agency endowments:				
Contributions	(1,507)		(1,507)	(589)
Investment income, net	(330)		(330)	(611)
Net appreciation on investments	(591)		(591)	(3,569)
Interest income	-	-	-	85
Total revenues and other support	26,738	(442)	26,296	55,573
EXPENSES				
Grants and other distributions	15,736	-	15,736	17,431
Administrative expenses	3,835	-	3,835	3,564
Less amounts for agency endowments:				
Grants and other distributions	(921)	-	(921)	(1,101)
Total expenses	18,650	-	18,650	19,894
CHANGE IN NET ASSETS BEFORE NON- OPERATING ACTIVITY	8,088	(442)	7,646	35,679
NON-OPERATING ACTIVITY				
Transfer to Medina County Community Foundation	(965)	-	(965)	(1,695)
CHANGE IN NET ASSETS	7,123	(442)	6,681	33,984
NET ASSETS – BEGINNING OF YEAR (AS RESTATED)	247,252	12,583	259,835	225,851
NET ASSETS – END OF YEAR	\$ 254,375	\$ 12,141	\$ 266,516	\$ 259,835

The accompanying notes are an integral part of these financial statements.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended March 31, 2025
(With summarized comparative financial information for the year ended March 31, 2024)
(Amounts in thousands)

	Program Services	Supporting Services Management and General	Development and Fundraising	Total Supporting Services	2025	2024
Grants and other distributions	\$ 15,736	\$ -	\$ -	\$ -	\$ 15,736	\$ 17,431
Less: grants and other distributions from agency endowments	(921)	-	-	-	(921)	(1,101)
TOTAL GRANTS AND OTHER DISTRIBUTIONS	14,815	-	-	-	14,815	16,330
Salaries and related expenses	1,045	779	1,048	1,827	2,872	2,724
Depreciation	60	45	72	117	177	180
Equipment rental and maintenance	61	46	61	107	168	142
Printing and publications	28	21	116	137	165	162
Special projects and other	-	-	114	114	114	63
Utilities and building maintenance	24	18	24	42	66	67
Professional fees	20	15	24	39	59	29
Insurance	18	14	22	36	54	37
Dues and subscriptions	12	9	15	24	36	37
Advertising	-	-	31	31	31	42
Conferences, conventions and meetings	9	6	9	15	24	25
Telephone	8	6	8	14	22	23
Office supplies	7	5	7	12	19	17
Postage and shipping	5	4	6	10	15	10
Travel	5	3	5	8	13	6
TOTAL ADMINISTRATIVE EXPENSES	1,302	971	1,562	2,533	3,835	3,564
TOTAL FUNCTIONAL EXPENSES	\$ 16,117	\$ 971	\$ 1,562	\$ 2,533	\$ 18,650	\$ 19,894

The accompanying notes are an integral part of these financial statements.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended March 31, 2025

(With summarized comparative financial information for the year ended March 31, 2024)

(Amounts in thousands)

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 6,681	\$ 33,984
Reconciliation of change in net assets to net cash provided by operating activities:		
Net appreciation in investments and trust accounts	(3,766)	(26,210)
Change in beneficial interest in perpetual trusts	442	(1,576)
Depreciation	177	180
Noncash contributions	(2,819)	(4,732)
Changes in operating assets and liabilities:		
Prepaid expenses	16	(32)
Contributions receivable, net	(104)	98
Cash surrender value of life insurance	(4)	(86)
Grants approved for future payment	110	(181)
Accounts payable and other liabilities	<u>16</u>	<u>404</u>
Net cash provided by operating activities	749	1,849
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(118,474)	(61,018)
Proceeds from sales and maturities of investments	114,785	54,495
Proceeds from sales of contributed investments	2,819	4,732
Payments received from note receivable	87	129
Purchases of property and equipment	(39)	(119)
Real property held for investment	<u>2</u>	<u>-</u>
Net cash used by investing activities	(820)	(1,781)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(71)	68
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	<u>207</u>	<u>139</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u>\$ 136</u>	<u>\$ 207</u>

The accompanying notes are an integral part of these financial statements.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands)

Note 1. Nature of Activities

Akron Community Foundation and Subsidiaries (the "Foundation") is a nonprofit organization which was organized in 1955. Its primary mission is to improve the quality of life in the greater Akron area by building endowments and providing philanthropic leadership that enables donors to make lasting investments in the community. The Foundation is committed to enriching the life of the community through grant making in distinct areas: arts and culture, education, health and human services and civic affairs/community services.

Note 2. Summary of Significant Accounting Policies

- A. *Basis of Accounting* – The Foundation prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP").
- B. *Principles of Consolidation* – The consolidated financial statements include the accounts of Akron Community Foundation, ACF Properties, LLC and Akron Digital Media Center/Akronist.com, LLC. ACF Properties, LLC holds certain donated and acquired real property which is included on the consolidated statement of financial position as real property held for investment. Akron Digital Media is focused on promoting citizen journalism and community involvement. All significant transactions between these entities have been eliminated from the consolidated amounts.
- C. *Financial Statement Presentation* – The Foundation presents information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions include general net assets of the Foundation and are not subject to donor-imposed restrictions. The net assets without donor restrictions of the Foundation may be used at the discretion of management to support the Foundation's purposes and operations.

Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The Board, on the advice of legal counsel, has determined that the Foundation's net assets do not meet the definitions of endowment under the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") because of the Foundation's right to exercise variance power over contributions (Note 2Q). As a result of this ability, the Foundation does not have assets restricted in perpetuity, with the exception of the beneficial interest in perpetual trusts which is perpetual in nature but not subject to spending policy and appropriation.

- D. *Cash and Cash Equivalents* – Cash and cash equivalents primarily include amounts held for grants and other disbursements and amounts received from contributions which are held pending investment. Cash and cash equivalents include cash on hand and cash in checking and money market accounts and all highly liquid investments with an original maturity when purchased of three months or less.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Amounts in thousands)

Note 2. Summary of Significant Accounting Policies (Continued)

D. Cash and Cash Equivalents (Continued)

The Foundation maintains its cash in accounts that at times exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

E. *Contributions Receivable* – Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Conditional promises to give are recognized only when the conditions on which they depend are met and the promises become unconditional. Noncash bequests, gifts, and donations are recorded at the fair market value of the asset at the date of donation.

F. *Note Receivable* – Notes receivable were initially recorded on the statement of financial position at cost when approved and remitted. The note receivable due to the Foundation was paid in full during the year ended March 31, 2025.

G. *Property and Equipment* – Property and equipment acquisitions with a cost of \$1 or more and that have an estimated useful life greater than one year are capitalized at cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets ranging from 3 to 30 years. Repair and maintenance costs are expensed as incurred.

H. *Investments* – The Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the consolidated statement of financial position. In addition, the Foundation holds certain funds in alternative investments which are carried at the funds' net asset value. Realized and unrealized gains and losses are recognized as changes in net assets in the periods in which they occur, and interest and dividends are recognized as revenue in the period earned. Realized gains and losses are determined by the specific identification method. Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the consolidated statement of financial position and the consolidated statement of activities. Investment income is reported net of investment fees in the statement of activities.

I. *Funds Held as Agency Endowments – Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others* establishes accounting and reporting standards for transactions in which a donor transfers assets to a not-for-profit organization that accepts the assets from the donor and agrees to transfer those assets, the return on investment, or both, to the donor or another entity specified by the donor. Pursuant to this pronouncement, certain agency endowment funds received by the Foundation are considered liabilities, rather than net assets of the Foundation.

J. *Beneficial Interest in Perpetual Trusts* – The Foundation has a beneficial interest in perpetual trusts that provide the right to receive income earned on the trusts into perpetuity. The independent trustee controls the investment decisions and timing of distributions to the Foundation and the Foundation cannot transfer its interest in the trusts. The perpetual trusts are recorded at fair value based on the fair value of the underlying assets and are shown as net assets with donor restrictions.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Amounts in thousands)

Note 2. Summary of Significant Accounting Policies (Continued)

- K. *Contributions and Grants* – Unconditional contributions are recognized immediately and classified as either net assets with or without donor restrictions, while conditional contributions received are accounted for as a liability until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with or without restrictions.
- L. *Spending Policy for Grants and Other Distributions* – The Board of Directors has established a spending policy based upon a maximum of 5% of the average market value of the Foundation's total investment pool for the previous 12 calendar quarters. The spending policy provides guidelines for amounts to be expended annually for grants and other distributions net of certain offsetting contributions and administrative fee income. All grants and other distributions are approved by the Board of Directors. Unconditional grants are recognized when approved. Grants approved by the Board of Directors that are payable upon performance of specified conditions by the grantee are recognized in the consolidated statement of activities when the specified conditions are satisfied. The amount that has been awarded and is available to be spent but not distributed is included in grants approved for future payment on the consolidated statement of financial position and amounts to \$395, and is due within one year.
- M. *Functional Expenses* – Expenses are charged to functional areas based on specific identification when possible. Expenses that cannot be specifically identified to a function are allocated to the functional areas based on factors such as direct relationship of expense, time spent by employees and square footage of space used for various programs.
- N. *Use of Estimates* – The preparation of consolidated financial statements in conformity with 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- O. *Comparative Financial Information* – The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Foundation's consolidated financial statements for the year ended March 31, 2024, from which the summarized information was derived.
- P. *Income Taxes* – The Foundation is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and, accordingly, is exempt from income taxes. The Foundation is not a private foundation. ACF Properties, LLC and Akron Digital Media Center/Akronist.com, LLC are limited liability companies and are not tax paying entities for federal or state income tax purposes. Therefore, no provisions for federal and state income taxes have been recorded in the consolidated financial statements.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Amounts in thousands)

Note 2. Summary of Significant Accounting Policies (Continued)

- Q. *Variance Power* – Variance power is the unilateral power to redirect the use of contributions to an entity or individual other than the specified beneficiary, if the Foundation's Board determines that circumstances have changed as to render the express desires of the donor unnecessary, impractical, incapable of fulfillment or inconsistent with the charitable needs of the community. The Foundation may, at any time, redirect the application of all or part of a gift, grant, devise or bequest to such other charitable uses or purposes which, in the Foundation's judgment, will most effectively accomplish the general mission of the Foundation.
- R. *Subsequent Events* – The Foundation has evaluated subsequent events through September 3, 2025, which is the date the consolidated financial statements were available to be issued.
- S. *Restatement* – Certain prior year information was restated to conform to the current year presentation. In addition, as of April 1, 2023, certain net assets with donor restrictions were reclassified to net assets without donor restrictions to accurately reflect the Foundation's right to exercise variance power over these assets.

Note 3. Liquidity and Availability

The following represents the Foundation's financial assets available for general expenditures within one year of the statement of financial position as of March 31:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 136	\$ 207
Contributions receivable, due within one year	82	53
Note receivable, current portion	-	87
Investments	<u>251,623</u>	<u>244,105</u>
Assets available for use within one year	<u>\$251,841</u>	<u>\$244,452</u>

As described in Note 2L, the Foundation has established a spending policy to provide guidelines for amounts available annually for distribution in the form of grants and other distributions within the next 12 months.

Note 4. Contributions Receivable

Contributions receivable represent promises to give recorded at the present value of estimated future cash flows. Aggregate maturities of contributions receivable are as follows:

2026	\$ 82
2027	63
2028	31
2029	<u>5</u>
	181
Less: discounts to net present value	<u>18</u>
	<u>\$ 163</u>

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Amounts in thousands)

Note 5. Property and Equipment

Property and equipment consist of the following as of March 31:

	Useful Life	<u>2025</u>	<u>2024</u>
Land	-	\$ 591	\$ 591
Building and Improvements	3-30 years	2,882	2,865
Furniture and fixtures	5-7 years	588	593
Construction-in-progress	-	<u>74</u>	<u>58</u>
		4,135	4,107
Less: accumulated depreciation		<u>(1,202)</u>	<u>(1,036)</u>
Property and equipment, net		<u>\$2,933</u>	<u>\$3,071</u>

Note 6. Cash Surrender Value of Life Insurance

The Foundation is the beneficiary of five individual life insurance policies with face values totaling \$193 as of March 31, 2025. The amount reported in the accompanying consolidated statement of financial position represents the cash surrender value of the policies as of fiscal year end.

Note 7. Fair Value Measurements and Investments

GAAP establishes a framework for measuring fair value. That framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. GAAP requires the Foundation to maximize the use of observable inputs when measuring fair value. The hierarchy describes three levels of inputs, which are as follows:

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

Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 – Unobservable inputs in which little or no market data exists.

In many cases, a valuation technique used to measure fair value includes inputs from more than one level of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The categorization of an investment within the hierarchy reflects the relative ability to observe the fair value measure and does not necessarily correspond to the perceived risk of that investment.

Net asset value ("NAV") per share, or its equivalent, is used as a practical expedient to estimate the fair values of certain real estate, private equity, and other investment funds which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

Valuation Techniques

The following is a description of the valuation techniques used for assets measured at fair value on a recurring basis. There have been no changes to the techniques used during the year ended March 31, 2025 and 2024.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Amounts in thousands)

Note 7. Fair Value Measurements and Investments (Continued)

Cash and cash equivalents – Cash and cash equivalents consist of investments in money market funds, short-term investments, and other securities with quoted prices in active markets.

Equity and fixed income – Equity funds and fixed income mutual funds are generally valued at quoted market prices in active markets for identical assets and are classified as Level 1. Fixed income also includes government obligations, corporate bonds, and collateralized mortgage obligations which are measured at Level 2 based on yields currently available on comparable securities of issuers with similar credit ratings.

Real property held for investment – The Foundation has ownership interest in a real estate property through its status as a tenant-in-common in a development agreement (46% ownership by the Foundation). Revenue is restricted from the property to support a scholarship fund held as a fund of the Foundation. As a tenant-in-common, the Foundation does not take part in management of the business or affairs of the partnership and does not have the right or authority to act on behalf of the partnership. Further, the Foundation is not liable for any losses, debts or liabilities of the partnership. Real property held for investment is categorized as Level 3 and is reported at fair value using an income capitalization analysis.

Alternative investments – Alternative investments comprise of investments in private equity, real estate, and other funds measured using NAV per share as the practical expedient. The fair value amounts presented in the fair value hierarchy table below are intended to permit reconciliation of the fair value hierarchy to amounts presented in the statement of financial position.

Beneficial interests in perpetual trusts – Beneficial interests in perpetual trusts (Note 8) are valued using the fair value of the assets held in the trust reported by the trustee as of March 31, 2025 and 2024 and are valued at Level 3.

The following table presents the financial instruments carried at fair value, on a recurring basis, as of March 31, 2025:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 15,004	\$ -	\$ -	\$ 15,004
Equities:				
Stock	68,373	-	-	68,373
Mutual funds	129,656	-	-	129,656
Fixed income:				
Government obligations	-	14,763	-	14,763
Corporate bonds	-	13,202	-	13,202
Collateralized mortgage obligations	-	671	-	671
Mutual funds	24,028	-	-	24,028
Real property held for investment	-	-	550	550
Beneficial interest in perpetual trusts	-	-	12,141	12,141
Total assets in the fair value hierarchy	<u>\$ 237,061</u>	<u>\$ 28,636</u>	<u>\$ 12,691</u>	278,388
Assets measured at NAV				<u>23,588</u>
Assets at fair value				<u>\$ 301,976</u>

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Amounts in thousands)

Note 7. Fair Value Measurements and Investments (Continued)

The following table presents the financial instruments carried at fair value, on a recurring basis, as of March 31, 2024:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 10,623	\$ -	\$ -	\$ 10,623
Equities:				
Stock	56,116	-	-	56,116
Mutual funds	142,356	-	-	142,356
Fixed income:				
Government obligations	-	14,767	-	14,767
Corporate bonds	-	12,423	-	12,423
Collateralized mortgage obligations	-	184	-	184
Mutual funds	21,594	-	-	21,594
Real property held for investment	-	-	552	552
Beneficial interest in perpetual trusts	-	-	12,583	12,583
Total assets in the fair value hierarchy	<u>\$ 230,689</u>	<u>\$ 27,374</u>	<u>\$ 13,135</u>	271,198
Assets measured at NAV				<u>22,260</u>
Assets at fair value				<u>\$ 293,458</u>

The Foundation is required to disclose the nature and risks of the investments recorded at NAV. The following table summarizes the nature and risk of these investments as of March 31:

2025				
	March 31, Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate	\$ 3,106	\$ 1,776	None	None
Private equity	18,655	1,299	None	None
Other	<u>1,827</u>	<u>-</u>	None	None
	<u>\$ 23,588</u>	<u>\$ 3,075</u>		
2024				
	March 31, Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate	\$ 3,059	\$ 4,298	None	None
Private equity	18,059	2,074	None	None
Other	<u>1,142</u>	<u>-</u>	None	None
	<u>\$ 22,260</u>	<u>\$ 6,372</u>		

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Amounts in thousands)

Note 8. Net Assets Without Donor Restrictions

The following table represents the purpose as originally restricted by the donor as of March 31; however, the Foundation retained variance power:

	<u>2025</u>	<u>2024</u>
General purpose	\$ 90,332	\$ 91,111
Donor advised funds	74,132	72,147
Field of interest	60,454	60,465
Affiliate funds	17,846	12,138
Scholarship	<u>11,611</u>	<u>11,391</u>
	<u>\$ 254,375</u>	<u>\$ 247,252</u>

Note 9. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following as of March 31:

	<u>2025</u>	<u>2024</u>
Perpetual in nature, not subject to spending policy and appropriation:		
Beneficial interest in perpetual trusts	<u>\$ 12,141</u>	<u>\$ 12,583</u>

Note 10. Legal Matters

During the normal course of business, the Foundation may, from time to time, be involved in routine legal matters which management intends to defend. Management believes the likelihood of any material adverse outcome to be remote. As of the date of this report, the Foundation has no known open legal matters requiring adjustment to or disclosure in the financial statements.

Note 11. Retirement Plans

The Foundation offers a voluntary tax deferred plan under the provisions of Section 403(b) of the Internal Revenue Code, which permits employees to elect to invest a portion of their compensation until retirement. The plan is available to all full-time employees. The Foundation makes a matching contribution of 100% of each participant elective deferral up to 4% of the participant compensation. The amount of employer contributions to the Plan for the year ended March 31, 2025 was \$72.

The Foundation has a non-qualified, tax-deferred compensation plan under Section 457(f) of the Internal Revenue Code ("IRC") for the benefit of certain key managerial employees. Under this plan, the Foundation may make a discretionary employer contribution to the plan. Employer discretionary contributions made to the plan totaled \$65 during the year ended March 31, 2025. The Foundation also has a non-qualified, tax-deferred compensation plan under Section 457(b) of the IRC for the benefit of certain key managerial employees. The 457(b) plan allows for only employee contributions to this plan. Both plans' investment assets and the related liabilities are included in the consolidated statement of financial position and totaled \$734 as of March 31, 2025.

AKRON COMMUNITY FOUNDATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Amounts in thousands)

Note 12. Medina County Community Foundation

On January 31, 2024, ACF transitioned funds to the Medina County Community Foundation ("MCCF") based on terms executed by both parties. Fundholders, fund advisors and donors were notified that ACF would no longer provide access to information regarding their funds. In fiscal year 2024, ACF transferred \$1,695 of fund assets based on the balances of the funds at December 31, 2023. The remaining \$965 of agency funds was transferred in fiscal year 2025.