CERTIFIED PUBLIC ACCOUNTANTS

Consolidated Financial Statements

Foundation for a Healthy St. Petersburg, Inc. and Subsidiaries

Year Ended December 31, 2021

FOUNDATION FOR A HEALTHY ST. PETERSBURG, INC. AND SUBSIDIARIES

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Year Ended December 31, 2021

Consolidated Financial Statements

PYA, P.C.
3000 Bayport Drive, Suite 860
Tampa, FL 33607
p: (813) 424-3700 | f: (865) 673-0173
pyapc.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Foundation for a Healthy
St. Petersburg, Inc.:

Opinion

We have audited the accompanying consolidated financial statements of Foundation for a Healthy St. Petersburg, Inc. and Subsidiaries (the Organization), which comprise the consolidated balance sheet as of December 31, 2021, and the related consolidated statements of operations and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2021, and the consolidated 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 of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 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 the

Organization's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 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 consolidated 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.

PYA, P.C.

Tampa, Florida
March 31, 2022

FOUNDATION FOR A HEALTHY ST. PETERSBURG, INC. AND SUBSIDIARIES

Consolidated Balance Sheet
(Dollars in Thousands)

		December 31, 2021
ASSETS		
Cash and cash equivalents	**$**	**813**
Prepaid expenses		**263**
Recoverable grants receivable		**600**
Investments		**171,939**
Property, plant and equipment, net		**3,689**
Other receivables		**28**
Other assets		**597**
TOTAL ASSETS	**$**	**177,929**
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	**$**	**187**
Grants payable		**850**
Accrued employee compensation		**109**
Employee retirement plan obligations		**83**
Deferred rent		**163**
Other long-term liabilities		**203**
TOTAL LIABILITIES		**1,595**
NET ASSETS		
Without donor restrictions		**175,226**
With donor restrictions		**1,108**
TOTAL NET ASSETS		**176,334**
TOTAL LIABILITIES AND NET ASSETS	**$**	**177,929**

FOUNDATION FOR A HEALTHY ST. PETERSBURG, INC. AND SUBSIDIARIES

Consolidated Statement of Operations and Changes in Net Assets
(Dollars in Thousands)

		Year Ended December 31, 2021
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenue, gains and support:		
Net investment income	$	**6,329**
Gain on sale of land, net of closing costs		**618**
Other income		**28**
Net unrealized gains on trading investments		**12,430**
Net assets released from restrictions		**250**
TOTAL REVENUE, GAINS AND SUPPORT		**19,655**
Expenses and losses:		
Salaries and benefits		**2,265**
Grant expense		**1,904**
Direct community investment		**1,787**
Administrative expenses		**730**
Depreciation and amortization		**585**
Occupancy		**509**
Loss on sale of investment in joint venture - Note B		**440**
TOTAL EXPENSES AND LOSSES		**8,220**
EXCESS OF REVENUE, GAINS AND SUPPORT OVER EXPENSES AND LOSSES		**11,435**
Loss from operations of discontinued entities		**(343)**
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS		**11,092**
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:		
Contributions		**1,000**
Net assets released from restrictions		**(250)**
INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS		**750**
INCREASE IN TOTAL NET ASSETS		**11,842**
NET ASSETS, BEGINNING OF PERIOD		**164,492**
NET ASSETS, END OF PERIOD	$	**176,334**

FOUNDATION FOR A HEALTHY ST. PETERSBURG, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses
(Dollars in Thousands)

Year Ended December 31, 2021

	Program						
	Strategic Race Equity Investments	*Equity Movement Building*	*Influence Systems Change*	*Foundation Capital Deployment*	*Advancing Community Wealth to Health*	*Management and General*	*Total*
Salaries and benefits	$ 450	$ 424	$ 412	$ 145	$ 211	$ 623	$ 2,265
Grants	1,074	399	116	-	315	-	1,904
Professional and contract services	108	159	323	3	77	312	982
Depreciation and amortization	-	-	-	330	-	255	585
Occupancy	41	38	38	310	19	63	509
Marketing and communication	159	341	-	7	-	-	507
Technology	47	72	68	-	-	148	335
Other community investment	245	46	-	4	-	-	295
Other administrative expenses	-	-	-	20	-	134	154
Evaluation	-	-	107	-	-	-	107
Property and excise taxes	-	-	-	-	-	98	98
Office operations	-	-	-	-	-	24	24
Travel, conferences, and meetings	1	-	-	-	-	14	15
Total functional expenses	$ 2,125	$ 1,479	$ 1,064	$ 819	$ 622	$ 1,671	$ 7,780

FOUNDATION FOR A HEALTHY ST. PETERSBURG, INC. AND SUBSIDIARIES

Consolidated Statement of Cash Flows
(Dollars in Thousands)

	Year Ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in total net assets	**$ 11,842**
Adjustments to reconcile increase in net assets to net cash used in operating activities:	
Depreciation and amortization	**585**
Loss on sale of investment in joint venture	**440**
Gain on sale of fixed assets, net of closing costs	**(618)**
Restricted contributions	**(1,000)**
Net realized and unrealized gains on investments	**(15,656)**
Increase (decrease) in cash due to changes in:	
Trading securities	**(5,543)**
Prepaid expenses	**(96)**
Recoverable grants receivable	**1,349**
Other receivables	**8,232**
Other assets	**4**
Accounts payable and accrued expenses	**45**
Accrued employee compensation	**(1)**
Grants payable	**(1,776)**
Deferred rent	**(6)**
Employee retirement plan obligations	**42**
Other long-term liabilities	**175**
Total adjustments	**(13,824)**
NET CASH USED IN OPERATING ACTIVITIES	**(1,982)**
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchases of property, plant and equipment	**(75)**
Proceeds from disposal of property, plant and equipment	**932**
NET CASH PROVIDED BY INVESTING ACTIVITIES	**857**
CASH FLOWS FROM FINANCING ACTIVITIES:	
Restricted contributions	**1,000**
NET CASH PROVIDED BY FINANCING ACTIVITIES	**1,000**
DECREASE IN CASH AND CASH EQUIVALENTS	**(125)**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**938**
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 813**

See notes to consolidated financial statements.

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: Foundation for a Healthy St. Petersburg, Inc. (FHSP) is a Florida not-for-profit corporation that operates a charitable foundation to achieve health equity through race equity. Prior to April 1, 2013, FHSP, formerly known as Bayfront Health Systems, Inc., served as the parent company of a multi-facility health system and was the sole corporate member or sole shareholder for Bayfront Medical Center, Inc., and its subsidiaries (the Hospital).

Effective April 1, 2013, the assets of FHSP, the Hospital, and its subsidiaries, except certain excluded assets and retained liabilities, were acquired by Bayfront HMA Healthcare Holdings, LLC (Bayfront HMA), a joint venture owned 80% by a subsidiary of Health Management Associates, Inc. (HMA) (now Community Health Systems, Inc.) and 20% by a newly formed wholly-owned subsidiary of FHSP, FHSP Holdings, LLC (FHSP Holdings), for approximately $202,300. This event is referred to as the "Sale Transaction." Approximately $41,957 of the proceeds were paid to HMA by FHSP Holdings for a 20% share in Bayfront HMA. FHSP sold its share in Bayfront HMA during 2021 (see Note B).

During 2015, FHSP Spark Plug Fund, LLC (FHSP Spark Plug), was organized as a wholly owned subsidiary of FHSP to own passive investments in start-up companies in the St. Petersburg community. During 2019, the Foundation organized FHSP Lease Holdings, LLC (FHSP Lease Holdings) as a wholly owned subsidiary of FHSP. It holds assets and lease agreements related to the Center for Health Equity.

During 2019, the Organization opened the Center for Health Equity in St. Petersburg, Florida. This 15,000 square foot convening space, with the flexibility to host multiple small groups or large gatherings of up to 400 people, was designed to facilitate engagement and enhance the productivity of community members and partners working to fulfill the Foundation's mission of race and health equity. During the coronavirus outbreak in 2021 and 2020, the Center for Health Equity was deployed to support pandemic-related community needs.

FHSP's consolidated financial statements include the accounts and transactions of all of its subsidiaries as of and for the year ended December 31, 2021. FHSP and its subsidiaries are collectively referred to as the Organization. The results of operations for any component of the Organization disposed of prior to or during the year ended December 31, 2014 are included in loss from operations of discontinued entities for the year ended December 31, 2021. All significant intercompany transactions among these entities have been eliminated in the consolidated financial statements.

Use of Estimates: The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Although estimates are considered to be fairly stated at the time that the estimates are made, actual results could differ from those estimates. Significant estimates include investment valuations and depreciable lives and impairment considerations of property, plant and equipment.

Functional Expense Allocation: The costs of programs and management and general expenses are allocated based on estimates of employees' time incurred, usage of resources, and other methods.

The program expenses consist of transfers of cash and non-cash assets for their intended purposes, in accordance with FHSP's mission. Management and general expenses include expenses not directly identifiable with any other specific function but provide for the overall support and direction of FHSP.

The Organization has allocated program expenses to the following strategic objectives:

Strategic Race Equity Investments: FHSP supports the advancement of race equity in Pinellas County through grants, staff expertise and other direct support. Strategic race equity investments in 2021 included support for COVID-19 testing and vaccine outreach efforts, support for journalism covering communities of color and systemic inequity, the administration of FHSP's no-fee, no-interest working capital loan fund to support local nonprofits, and grants in support of race equity.

Equity Movement Building: FHSP accelerates social change to advance health equity through race equity. Moving along the continuum from awareness of inequity to action in the fulfilment of a social change mission involves a multi-faceted, multi-sector approach to community engagement. This includes education and awareness building with multi-platform messaging, gauging community needs through strategic listening, and cultivating opportunities for deeper engagement in race equity. A primary element of this work is FHSP's listening agenda to ensure lived experiences are brought to system leaders.

Influence Systems Change: FHSP seeks to identify and change elements of multi-sector systems that result in discriminatory outcomes, and actively works to influence social policy through data, analysis, and solutions. Those solutions require advocacy efforts to inform and engage those systems leaders who can change policies impacting race equity. In order to thoroughly support the policy analysis, FHSP includes research and data collection, evaluation, public education, and other initiatives to influence policies in pursuit of the Organization's mission.

Foundation Capital Deployment: FHSP's strategy to scale full capital and thought leadership supports its mission through social, moral, intellectual, reputational, and financial capital. This is achieved through staff activities, and through the deployment of its Center for Health Equity, a 15,000 square foot facility, as a community asset. During 2021, the Center for Health Equity continued to be deployed in support of COVID-19 relief, and served the community as a site for both COVID-19 testing and vaccinations.

Advancing Community Wealth to Health: FHSP adopts a theory of change in which the advancement of community wealth leads to advancements in community health. FHSP defines community wealth comprehensively, including financial wealth, opportunity, and resilience, all of which are required to counteract decades of racist systems. During 2021, FHSP launched its initiative to convene anchor institutions around issues of race equity in wealth and health, and awarded grants in support of economic development for BIPOC businesses, non-profits, and communities.

Grant Expense: Grant expense is recognized in the period the grant is awarded, net of grant cancellations. During 2021, $2,531 in grants were awarded net of an allowance for recoverable grants of $49, and three grants in the amount of $627 were cancelled. Substantially all grants payable as of December 31, 2021 are expected to be paid in 2022.

Recoverable Grants Receivable: During 2021 and 2020, the Organization funded loans to assist other not-for-profit entities in the St. Petersburg and Tampa Bay community with working capital needs. Recoverable grants receivable are expected to be recovered by the Organization throughout 2022 and 2023.

Cash and Cash Equivalents: Cash and cash equivalents include highly liquid investments with a maturity of three months or less when purchased, with the exception of certain money market funds classified as investments. At year end, and at times throughout the year, the Organization may maintain bank account balances in excess of the Federal Deposit Insurance Corporation insured limit. Management believes the credit risk associated with these deposits, if any, is not significant.

Property, Plant and Equipment: Property, plant and equipment are recorded at historical cost, or if donated, at the fair market value on the date of donation. The straight-line method is used to depreciate all property, plant and equipment over the estimated useful lives of the related assets. Renewals and betterments are capitalized and depreciated over their estimated useful lives, whereas repair and maintenance expenditures are expensed as incurred. The Organization reviews capital assets for indications of impairment when there are changes in circumstances related to a specific asset. There were no impairments recognized by the Organization during 2021.

Investments and Investment Income: Investments in equity securities and investments in debt securities are measured at fair value in the accompanying consolidated balance sheet. All such investment securities are classified as trading. As such, unrealized gains and losses on investment securities are recognized in the consolidated statement of operations and changes in net assets. The fair value of investments is based on quoted market prices. Realized gains and losses are computed using the first in first out method for cost determination.

Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is reported net of related investment fees and is included in revenue, gains and support in the period earned.

Net Assets with Donor Restrictions: Net assets with donor restrictions are those whose use by the Organization has been limited by donors to a specific time period or purpose. Net assets with donor restrictions at December 31, 2021 are restricted for expenditures related to the advancement of health equity through conferences and through the modernization of the community's human services hub. Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes. Net assets released from restrictions in 2021 related to COVID-19 outreach programs.

Excess of Revenue, Gains and Support Over Expenses and Losses: The consolidated statement of operations and changes in net assets includes excess of revenue, gains and support over expenses and losses for the year ended December 31, 2021, which is analogous to income from continuing operations for a for-profit enterprise. Changes in net assets without donor restrictions, which are excluded from excess of revenue, gains and support over expenses and losses, consist of gains and losses associated with discontinued operations associated with the Sale Transaction.

Income Taxes: FHSP is exempt from federal income tax, pursuant to Section 501(a) as organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. FHSP Holdings, FHSP Spark Plug, and FHSP Lease Holdings are organized as limited liability companies and are disregarded entities for income tax purposes. At December 31, 2021, tax returns for 2018 through 2020 are subject to examination by the Internal Revenue Service. The Organization had no uncertain tax positions at December 31, 2021 that would require recognition or disclosure in the consolidated financial statements. With respect to any taxable income or unrelated business income generated, the Organization records income taxes using the liability method under which deferred tax assets and liabilities are determined based on the differences between the financial accounting and tax bases of assets and liabilities.

FHSP is tax-exempt under Section 501(c)(3) of the Internal Revenue Code as a private foundation but is subject to various operating restrictions and an excise tax on net investment income. Among other requirements and restrictions, FHSP is required to distribute a minimum of 5% of its investment assets annually for charitable purposes. Violations of these restrictions may give rise to taxes and penalties. During 2021, qualifying distributions were in compliance with the required minimum distribution amount and included grant and other charitable distributions paid during the year and certain administrative expenses. Distributions in excess of the minimum distribution requirement for a given year are allowed to be carried forward to future periods, up to five years.

(Dollars in Thousands)

Recently Issued Accounting Principles: In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases*, which requires balance sheet recognition of a liability and right-to-use asset for substantially all leases. ASU 2016-02 was effective for fiscal years beginning after December 15, 2020 and requires a modified retrospective transition approach for leases existing at the date of adoption. In June 2020, the FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities,* which allowed not-for-profit entities that had not yet issued their financial statements the option to defer adoption of ASU No. 2016-02 until the fiscal year beginning after December 15, 2021. Management will adopt this ASU as required for the year ending December 31, 2022.

NOTE B--INVESTMENTS

Investments carried at fair value at December 31, 2021 include:

Funds held in custodial accounts	$	171,739
Other investments		200
	$	171,939

At December 31, 2021, the Organization held the following positions in an individual security held in a custodial account which exceeded 10% of all funds held in custodial accounts:

Vanguard World Fund Mega Cap Growth	17.5%
Vanguard World Fund Mega Cap Value	15.4%
Vanguard Total Bond Market ETF	17.2%
Vanguard FTSE Developed Markets	20.6%

Investment income and gains on investments is reported net of related expenses and is comprised of the following for the year ended December 31, 2021:

Interest and dividends	$	3,212
Realized gains and losses, net		3,226
Investment fees		(109)
Change in unrealized gains and losses, net		12,430
	$	18,759

(Dollars in Thousands)

During 2020, the Hospital owned by Bayfront HMA was acquired by another healthcare system for a purchase price of $175,000, with sales proceeds adjusted at closing with various credits to buyer and to Bayfront HMA as seller. At December 31, 2020, management estimated the value of its investment in Bayfront HMA to be $7,780, representing its respective interest in sales proceeds net of liabilities, and a related asset was included on the consolidated balance sheet. During 2021, the Organization sold its 20% interest in Bayfront HMA for $7,340, resulting in a loss of $440.

NOTE C--AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2021:

Financial assets	$	172,880
Less:		
Amounts restricted by donors		(1,108)
Financial assets available to meet general expenditures over the next twelve months	$	171,772

The Organization evaluates operating cash needs on a regular basis to determine the amounts of investments to liquidate to meet cash obligations. The Organization's investments are invested in accordance with the Organization's investment policies.

NOTE D--PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following as of December 31, 2021:

Buildings and leasehold improvements	$	4,215
Equipment		398
Furniture		424
Software		76
Curation		23
		5,136
Less: Accumulated depreciation		(1,447)
	$	3,689

(Dollars in Thousands)

NOTE E--COMMITMENTS AND CONTINGENCIES

Due to its previous status as a healthcare entity, the Organization is exposed to professional liability claims for services provided prior to the effective date of the Sale Transaction. Effective April 1, 2013, the Organization purchased “tail insurance” from a commercial insurance provider to cover against any claims incurred but not yet reported as of March 31, 2013. Due to the transfer of risk to the commercial insurer, the Organization has not recorded any reserves or allowances for future losses for professional liability in the consolidated financial statements. The Organization may be liable for losses in excess of coverage limits; however, in the opinion of management, the coverage limits are adequate to provide for estimated losses from all asserted and unasserted claims.

NOTE F--EMPLOYEES’ RETIREMENT PLANS

The Organization sponsors a 457(f) deferred compensation plan for certain employees. For the year ended December 31, 2021, approximately $42 was recognized as deferred compensation expense, and a liability of $83 is included in employee retirement plan obligations on the consolidated balance sheet.

NOTE G--OPERATING LEASE

Rent expense incurred under the Organization’s operating lease totaled approximately $250 for the year ended December 31, 2021 and is included in occupancy expenses on the consolidated statement of operations and changes in net assets. Future minimum annual lease payments are as follows:

Year Ending December 31,		
2022	$	260
2023		265
2024		270
2025		275
2026		280
Thereafter		526
	$	1,876

Deferred rent consists of the excess of the rental expenses over the payments required by the lease. As of December 31, 2021, the deferred rent liability was $163.

(Dollars in Thousands)

NOTE H--FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, defines fair value as the exit price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. ASC Topic 820 requires investments to be grouped into three categories based on certain criteria as noted below:

- *Level 1:* Fair value is determined by using quoted prices for identical assets or liabilities in active markets.

- *Level 2:* Fair value is determined by using other than quoted prices that are observable for the asset or liability (e.g., quoted prices for identical assets or liabilities in inactive markets, quoted prices for similar assets or liabilities in active markets, observable inputs other than quoted prices, and inputs derived principally from or corroborated by observable market data by correlation or other means).

- *Level 3:* Fair value is determined by using inputs based on management assumptions that are not directly observable.

The table below summarizes the fair values of the Organization's significant financial assets measured on a recurring basis as of December 31, 2021:

	Carrying Value	***Quoted Prices in Active Markets (Level 1)***	***Significant Other Observable Inputs (Level 2)***	***Significant Unobservable Inputs (Level 3)***
Cash and cash equivalents	$ 5,083	$ 5,083	$ -	$ -
Equity mutual funds	120,198	120,198	-	-
Fixed income mutual funds	46,458	46,458	-	-
Other	200	100	-	100
TOTAL ASSETS	$ 171,939	$ 171,839	$ -	$ 100

The Organization's Level 1 assets include trading investments in domestic and international equities, equity mutual funds, fixed income mutual funds, and high yield investments and are valued at the quoted market prices.

The Organization's Level 3 assets include investments in domestic private companies and are valued using significant unobservable inputs. There were no changes in the fair value of these investments during the year ending December 31, 2021.

NOTE I--UNCERTAINTY REGARDING THE IMPACT OF COVID-19

In March 2020, the World Health Organization recognized the novel strain of COVID-19 as a pandemic. Beginning in March 2020 and continuing throughout the year ended December 31, 2021 and beyond, the COVID-19 outbreak has severely restricted the level of economic activity around the world and caused significant volatility in financial markets. Not-for-profit organizations face financial pressure from declining financial markets. The ultimate impact of COVID-19 on the financial position of the Organization is uncertain and cannot be reasonably predicted or estimated at this time.

NOTE J--SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the consolidated financial statements were available to be issued. During this period, management did not note any material recognizable subsequent events that required recognition or disclosure in the December 31, 2021 consolidated financial statements.