

# **American Contract Bridge League Charity Foundation Corp.**



## **Financial Statements and Supplementary Information**

**Years Ended December 31, 2021 and 2020**

# Table of Contents

<b>Independent Auditor’s Report</b> .....	1
<b>Financial Statements:</b>	
Statements of Financial Position .....	3
Statements of Activities .....	4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6
<b>Supplementary Information:</b>	
Schedule of Investments – December 31, 2021 .....	10
Schedule of Trustee Grants –Year Ended December 31, 2021.....	11

## Independent Auditor's Report

Board of Trustees  
American Contract Bridge League Charity Foundation Corp.  
Horn Lake, MS

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the financial statements of American Contract Bridge League Charity Foundation Corp., which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of American Contract Bridge League Charity Foundation Corp. as of December 31, 2021 and 2020, and the changes in 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 ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of American Contract Bridge League Charity Foundation Corp. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 error or fraud.

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 American Contract Bridge League Charity Foundation Corp.'s ability to continue as a going concern for 12 months from the date the financial statements were available to be issued.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with 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 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 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 American Contract Bridge League Charity Corp.'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 American Contract Bridge League Charity Corp.'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.

## Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Investments on page 10 and the Schedule of Trustee Grants –Year Ended December 31, 2021, on page 11 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**FORVIS,LLP**

**Memphis, Tennessee  
September 20, 2022**

**American Contract Bridge League Charity Foundation Corp.**  
**Statements of Financial Position**  
**December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 622,832	\$ 163,458
Investments	115,985	502,267
Due from American Contract Bridge League, Inc.	33,395	617
Interest receivable	414	4,152
	<u>772,626</u>	<u>670,494</u>
Total assets	<u>\$ 772,626</u>	<u>\$ 670,494</u>
<b>LIABILITIES AND NET ASSETS</b>		
Net assets:		
Without donor restrictions	<u>\$ 772,626</u>	<u>\$ 670,494</u>
Total liabilities and net assets	<u>\$ 772,626</u>	<u>\$ 670,494</u>

**American Contract Bridge League Charity Foundation Corp.**  
**Statements of Activities**  
**Years Ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Support:		
Game revenue:		
Club	\$ 131,667	\$ 45,856
Unit and district	1,538	4,440
Continent wide	1,536	1,384
Donations	900	4,566
Net investment return	1,336	16,141
	<u>136,977</u>	<u>72,387</u>
Total support	136,977	72,387
Expenses:		
Program services:		
Trustee grants	5,000	64,000
Charity of the year grants	-	150,000
	<u>5,000</u>	<u>214,000</u>
Total program services expenses	5,000	214,000
Management and general:		
Administrative fees	10,040	6,396
Postage	32	4
Professional fees	13,300	7,500
Other expenses	6,473	7,626
	<u>29,845</u>	<u>21,526</u>
Total management and general expenses	29,845	21,526
Total expenses	<u>34,845</u>	<u>235,526</u>
Change in net assets	102,132	(163,139)
Net assets, beginning of the year	<u>670,494</u>	<u>833,633</u>
Net assets, end of year	<u>\$ 772,626</u>	<u>\$ 670,494</u>

**American Contract Bridge League Charity Foundation Corp.**  
**Statements of Cash Flows**  
**Years Ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 102,132	\$ (163,139)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Change in market value of investments	6,282	(704)
Change in assets and liabilities:		
Interest receivable	3,738	1,920
Due from American Contract Bridge League, Inc.	<u>(32,778)</u>	<u>(361)</u>
Total adjustments	<u>(22,758)</u>	<u>855</u>
Net cash provided by (used in) operating activities	79,374	(162,284)
Cash flows from investing activities:		
Proceeds from sale of investments	<u>380,000</u>	<u>220,000</u>
Net cash provided by investing activities	<u>380,000</u>	<u>220,000</u>
Change in cash and cash equivalents	459,374	57,716
Cash and cash equivalents, beginning of year	<u>163,458</u>	<u>105,742</u>
Cash and cash equivalents, end of year	<u>\$ 622,832</u>	<u>\$ 163,458</u>

## Notes to Financial Statements

### 1. Principal Activity and Significant Accounting Policies

#### ***Organization and nature of operations***

American Contract Bridge League Charity Foundation Corp. (the "Foundation") is a not-for-profit organization whose purpose is to make important contributions to worthy causes and to foster good public relations for the game of bridge, for American Contract Bridge League, Inc., and for its members. The Foundation is governed by a five-member Board of Trustees.

#### ***Basis of accounting***

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

#### ***Use of estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

#### ***Revenue recognition***

Game revenues are elections made by players to contribute \$2 of the game fee to the Foundation. These contributions and other donations are recognized when cash, securities or other assets, or unconditional promises to give are received. Conditional promises to give are not recognized until the conditions on which they depend have been met.

#### ***Concentrations and credit risks***

The Foundation's credit risks primarily relate to cash and cash equivalents. The Foundation maintains cash deposits at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to an aggregate of \$250,000.

Certain investments are insured for custody risks by the Securities Investor Protection Corporation ("SIPC") up to an aggregate of \$500,000.

Investments are exposed to various risks such as interest rate risk, market risk, and credit risk. Due to the level of risk associated with these certain investments, it is at least possible that changes in the values of investments will occur in the near term and such changes could materially affect the Foundation's financial position and changes in its net assets.

#### ***Cash and cash equivalents***

Cash and cash equivalents include highly liquid investments with original maturities of three months or less to be cash equivalents.



**American Contract Bridge League Charity Foundation Corp.**  
**Notes to Financial Statements**

---

**Investments**

The Foundation carries investments at fair value in the statements of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases, including income reinvestments, and sales of securities are recorded on a trade-date basis. Interest and dividend income is recorded on an accrual basis. Realized gains (losses) on the sales of securities are calculated based on the specific identification of the securities sold. Net investment return is reported in the statement of activities and consists of interest income, and realized and unrealized capital gains and losses, less external investment expenses.

**Net assets**

The Foundation reports its financial position and activities in two net asset categories according to the existence or absence of donor-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 restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. 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. When a donor restriction expires in the same year received, revenue is recognized as net assets without donor restrictions. There were no net assets with donor restrictions at December 31, 2021 and 2020.

**Grants**

The Foundation is authorized to make financial support grants to organizations subject to approval by the Board of Trustees. The Foundation recognizes grants when cash has been paid or an unconditional promise to give has been made. The Board of Trustees approves conditional grants, that is, those with a measurable performance measure or other barrier and right of return – which are not recognized until the conditions on which they depend have been met. At December 31, 2021, there were no outstanding conditional grants.

**Income taxes**

The Foundation is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and, therefore, no provision has been made for such taxes. The Foundation files an exempt organization return in the U.S. federal jurisdiction. The Foundation has determined that it does not have any material uncertain tax positions as of December 31, 2021 and 2020.

**Subsequent events**

The Foundation evaluated the effect subsequent events would have on the financial statements through September 20, 2022, which is the date the financial statements were available to be issued.

## **2. Liquidity and Availability**

As of December 31, 2021 and 2020, the Foundation had approximately \$740,000 and \$669,000 of financial assets available within one year of the statement of financial position date consisting of cash and cash equivalents of approximately \$623,000 and \$163,000 and investments and interest receivable of \$116,000 and \$506,000. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date.

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation invests cash in excess of daily requirements in various fixed income securities.

## **3. Investments and Fair Value Measurements**

Fair value, as defined under U.S. GAAP, is an exit price representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. U.S. GAAP establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. These tiers include:

**Level 1:** Observable inputs such as quoted prices in active markets.

**Level 2:** Inputs other than quoted prices in active markets that are either directly or indirectly observable.

**Level 3:** Unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. In determining fair values, the Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

The following is a description of the valuation methodologies used for Level 2 assets measured at fair value on a recurring basis. There have been no changes in methodologies used at December 31, 2021.

**Corporate and municipal bonds:** Valued based on yields currently available on comparable securities of issuers with similar credit ratings.

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

**American Contract Bridge League Charity Foundation Corp.**  
**Notes to Financial Statements**

---

The following tables present assets that are measured at fair value on a recurring basis at December 31:

	<u>2021</u>	<u>2020</u>
	<u>Level 2</u>	<u>Level 2</u>
Investments:		
Corporate bonds	\$ 115,985	\$ 119,062
Municipal bonds	<u>-</u>	<u>383,205</u>
	<u>\$ 115,985</u>	<u>\$ 502,267</u>

#### **4. Related Party Transactions**

American Contract Bridge League, Inc. (“ACBL”), an affiliate of the Foundation, provides administrative and bookkeeping services to the Foundation. ACBL collects donations and pays certain expenses on behalf of the Foundation.

For the years ended December 31, 2021 and 2020, annual administrative fees totaled \$10,040 and \$6,396, respectively.

#### **5. Risks and Uncertainties**

In March 2020, the World Health Organization declared the outbreak and spread of COVID-19, a novel strain of Coronavirus, a pandemic. The coronavirus outbreak has had far reaching and unpredictable impacts on the global economy, supply chains, financial markets, and global business operations of a variety of industries. Governments have taken substantial action to contain the spread of the virus including mandating social distancing, suspension of certain gatherings, and shuttering of certain nonessential businesses. The extent of the impact of the outbreak on the Foundation, including its supporters, grant recipients, and value of the Foundation’s investments will depend on certain developments, including the duration and spread of the outbreak, economic impacts, and governmental, regulatory, and private sector responses. The financial statements do not reflect any adjustments as a result of the subsequent increase in uncertainty.

***Supplementary Information***

**American Contract Bridge League Charity Foundation Corp.**  
**Schedule of Investments**  
**December 31, 2021**

<u>Issuer</u>	<u>Rate</u>	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Par Value</u>	<u>Fair Value</u>
Corporate bonds: Apple, Inc.	2.68%	5/16/2019	5/13/2022	\$ 115,000	\$ 115,985
				<u>\$ 115,000</u>	<u>\$ 115,985</u>

**American Contract Bridge League Charity Foundation Corp.**  
**Schedule of Trustee Grants**  
**Year Ended December 31, 2021**

---

<u>Recipient</u>	<u>Amount</u>
Central Texas Food Bank	\$ 2,500
Texas Parent to Parent	<u>2,500</u>
Total trustee grants	<u><u>\$ 5,000</u></u>

**FORVIS**

Report to the  
Board of Trustees

**American Contract  
Bridge League  
Charity Foundation Corp.**

December 31, 2021

## Table of Contents

Contacts.....	1
Communication with Those Charged with Governance .....	2
Appendix A - Management Representation Letter	





## Contacts

***Mark H. Nicolas, CPA***

Managing Partner, Non-Profit, Education and Government Group  
FORVIS, LLP  
999 South Shady Grove, Suite 400  
Memphis, TN 38120  
901.259.3647  
mark.nicolas@forvis.com

***Jason Smith, CPA***

Senior Manager  
FORVIS, LLP  
999 South Shady Grove, Suite 400  
Memphis, TN 38120  
901.259.3643  
jason.smith@forvis.com

## Communication with Those Charged with Governance

September 20, 2022

Board of Trustees  
American Contract Bridge League Charity Foundation Corp.  
Horn Lake, M

We have audited the financial statements of American Contract Bridge League Charity Foundation Corp. (the "Foundation") for the years ended December 31, 2021 and 2020, and have issued our report thereon dated September 20, 2022. Professional standards require that we provide you with information about our responsibilities in accordance with auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letters to you dated January 14, 2022. Professional standards also require that we communicate to you the following information related to our audit.

### **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies adopted by the Foundation are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management, and are based on management's knowledge and experience about past and current events, and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosure of fair value measurements in Note 3 and the disclosure of risks and uncertainties related to the COVID-19 pandemic in Note 5. The financial statement disclosures are neutral, consistent, and clear.

### **Difficulties Encountered in Performing the Audit**

We encountered no difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We are pleased to report that there were no corrected or uncorrected financial statement misstatements.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

## **Management Representations**

We have requested certain representations from management that are included in the management representation letter included in Appendix A.

## **Management Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Foundation's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

## **Other Significant Matters, Findings, or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Trustees and management of the Foundation, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

**FORVIS,LLP**

**Memphis, TN**

# FORVIS

## **Appendix A** Management Representation Letter



# ACBL Charity Foundation Corporation

6575 Windchase Blvd. • Horn Lake MS 38637-1523

---

September 20, 2022

FORVIS, LLP  
999 South Shady Grove Road, Suite 400  
Memphis, TN 38120

This representation letter is provided in connection with your audits of the financial statements of American Contract Bridge League Charity Foundation Corp. (the "Foundation"), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter:

## ***Financial Statements***

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 14, 2022, for the preparation and fair presentation of the financial statements in accordance with GAAP.
2. We acknowledge our responsibility 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. The following have been properly accounted for and disclosed in the financial statements:
  - a. Related-party relationships and transactions, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
  - b. Guarantees, whether written or oral, under which the Foundation is contingently liable.
  - c. Other liabilities or gain or loss contingencies.
5. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that "near term" means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the Foundation vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.
6. Significant assumptions we used in making accounting estimates, including estimates of fair value, are reasonable.



7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with GAAP.
8. There are no uncorrected misstatements or omitted disclosures.
9. We represent to you the following for the Foundation's fair value measurements and disclosure:
  - a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - c. The disclosure related to fair values are complete, adequate, and in conformity with GAAP.
  - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
  - e. All events subsequent to the date of the financial statements and for which GAAP requires adjustment or disclosure have been adjustment or disclosed.

***Information Provided***

10. We have provided you with:
  - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b. Additional information that you have requested from us for the purpose of the audit.
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - d. Minutes of the meetings of Board of Trustees or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. All transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13. We have no knowledge of any fraud or suspected fraud affecting the Foundation involving:
  - a. Management.
  - b. Employees who have significant roles in internal controls.
  - c. Others where the fraud could have a material effect on the financial statements.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the Foundation's financial statements received in communications from employees, former employees, regulators, or others.
15. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.
16. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

17. There are no regulatory examinations currently in progress for which we have not received examination reports.
18. We have disclosed to you the identity of the Foundation's related parties and all the related party relationships and transactions of which we are aware.
19. The Foundation has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
20. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
21. We are not aware of any pending or threatened litigation or claims whose effects should be considered when preparing the financial statements, and we have not consulted legal counsel concerning litigation or claims.
22. The Foundation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
23. The methods and assumptions used to allocate the Foundation's expenses by nature and function are reasonable and appropriate.
24. Disclosures regarding the Foundation's method for managing its liquidity, along with disclosures regarding the availability of liquid resources to meet cash needs for general expenditures within one year of the statement of financial position date are complete and accurate.
25. We acknowledge our responsibility for presenting the Schedule of Investments and Schedule of Trustee Grants (the "supplementary information") in accordance with GAAP, and we believe that the supplementary information, including its form and content is fairly presented in accordance with GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
26. In regard to the assistance with financial statement preparation and tax services performed by you, we have:
  - a. Assumed all management responsibilities.
  - b. Overseen the service, by designating an individual, within senior management, who possesses suitable skill, knowledge or experience.
  - c. Evaluated the adequacy and results of the service performed.
  - d. Accepted responsibility for the results of the services.
  - e. Evaluated and maintained internal controls, including monitoring ongoing activities.
27. The Foundation recognizes tax benefits only to the extent that the Foundation believes it is more-likely-than not (i.e. greater than 50%) that its tax positions will be sustained upon examination. We have evaluated the Foundation's tax positions, including its not-for-profit status, and have determined that the Foundation does not have any material uncertain tax positions.

28. With respect to the non-attest services performed by you during this engagement, we have received the deliverables from you and have stored these deliverables in information systems controlled by us. We have taken responsibility for maintaining internal controls over these deliverables.

We have evaluated subsequent events through the date of this letter, which is the date the financial statements were available to be issued. No events have occurred subsequent to December 31, 2021 and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

*Kirk Russell Jones*

---

Russ Jones  
Treasurer

*Peyton Dodson*

---

Peyton Dodson  
Director of Finance