



CLOVER FOUNDATION and SUBSIDIARY

Consolidated Financial Statements

December 31, 2019

(With Independent Auditors' Report)

Independent Auditors' Report

The Board of Trustees
Clover Foundation:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Clover Foundation and Subsidiary (the "Foundation"), which comprise the consolidated statement of financial position as of December 31, 2019, and the related consolidated statements of financial activity, of functional expenses and of cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility 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. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Clover Foundation and Subsidiary at December 31, 2019, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Foundation's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 27, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

March 9, 2021

Rogoff Company, P.C.

CLOVER FOUNDATION and SUBSIDIARY
Consolidated Statement of Financial Position
December 31, 2019
(With Comparative Figures For 2018)

| | 2019 | 2018 |
|---|----------------|----------------|
| <u>ASSETS</u> | | |
| Cash and cash equivalents | \$ 2,038,280 | \$ 1,894,094 |
| Program loans receivable | 15,945,100 | 17,465,454 |
| Accrued investment income | 107,376 | 126,788 |
| Other assets | 138,385 | 93,625 |
| Investments, at fair value | 68,976,434 | 58,717,041 |
| Foreign real estate investment | 5,000,000 | 5,000,000 |
| Domestic land and building, net | 21,660,223 | 22,088,707 |
| Total assets | \$ 113,865,798 | \$ 105,385,709 |
| <u>LIABILITIES and NET ASSETS</u> | | |
| Accounts payable and accrued liabilities | \$ 11,000 | \$ 5,000 |
| Grants payable | - | 2,286,300 |
| Total liabilities | 11,000 | 2,291,300 |
| Commitments and contingencies (Notes B and C) | | |
| Net assets - without donor restrictions | 113,854,798 | 103,094,409 |
| Total liabilities and net assets | \$ 113,865,798 | \$ 105,385,709 |

See accompanying Notes to Consolidated Financial Statements.

CLOVER FOUNDATION and SUBSIDIARY
Consolidated Statement of Financial Activity
Year ended December 31, 2019
(With Comparative Figures For 2018)

| | <u>2019</u> | <u>2018</u> |
|--|---------------------------|---------------------------|
| Support and revenue: | | |
| Investment return, net | \$ 10,971,322 | \$ (2,233,627) |
| Contributions | - | 1,000,000 |
| Program rental revenue | 428,484 | 428,484 |
| Program loan interest | <u>141,246</u> | <u>193,463</u> |
| Total support and revenue | <u>11,541,052</u> | <u>(611,680)</u> |
| Program expenses: | | |
| Grants | 264,403 | 157,782 |
| Program support | <u>443,958</u> | <u>465,988</u> |
| | 708,361 | 623,770 |
| Management and general | <u>72,302</u> | <u>53,254</u> |
| Total expenses | <u>780,663</u> | <u>677,024</u> |
| Excess (deficiency) of support and revenue over expenses | 10,760,389 | (1,288,704) |
| Net assets, beginning of year | <u>103,094,409</u> | <u>104,383,113</u> |
| Net assets, end of year | <u>\$ 113,854,798</u> | <u>\$ 103,094,409</u> |

See accompanying Notes to Consolidated Financial Statements.

CLOVER FOUNDATION and SUBSIDIARY
Consolidated Statement of Functional Expenses
Year ended December 31, 2019
(With Comparative Total Figures For 2018)

| | <u>Grants</u> | <u>Program Support</u> | <u>Management and General</u> | <u>Total</u> | <u>2018 Total</u> |
|-------------------|-------------------|----------------------------|-----------------------------------|-------------------|-----------------------|
| Grants | \$ 264,403 | \$ - | \$ - | \$ 264,403 | \$ 157,782 |
| Personnel Costs | - | 13,229 | 23,368 | 36,597 | 60,028 |
| Professional fees | - | - | 36,809 | 36,809 | 13,000 |
| Occupancy | - | 2,245 | 9,728 | 11,973 | 14,494 |
| Depreciation | - | 428,484 | - | 428,484 | 428,484 |
| Other | - | - | 2,397 | 2,397 | 3,236 |
| | <u>\$ 264,403</u> | <u>\$ 443,958</u> | <u>\$ 72,302</u> | <u>\$ 780,663</u> | <u>\$ 677,024</u> |

See accompanying Notes to Consolidated Financial Statements.

CLOVER FOUNDATION and SUBSIDIARY
Consolidated Statement of Cash Flows
Year ended December 31, 2019
(With Comparative Figures For 2018)

| | 2019 | 2018 |
|--|---------------|----------------|
| Cash flows from operating activities: | | |
| Excess (deficiency) of support and revenue over expenses | \$ 10,760,389 | \$ (1,288,704) |
| Adjustments to reconcile excess (deficiency) of support and revenue over expenses to net cash provided (used) by operating activities: | | |
| Realized and unrealized (gain) loss of investments | (8,480,061) | 4,050,942 |
| Offshore feeder funds and hedge fund earnings | (1,445,426) | (973,705) |
| Foreign currency loss | 3,955 | 1,391 |
| Non-cash grants | 137,252 | 109,500 |
| Depreciation | 428,484 | 428,484 |
| Changes in: | | |
| Accrued investment income | 19,412 | (29,580) |
| Other assets | (44,760) | (93,625) |
| Accounts payable and accrued liabilities | 6,000 | (10,511) |
| Grants payable | (2,286,300) | (1,316,698) |
| Cash (used) provided by operating activities | (901,055) | 877,494 |
| Cash flows from investing activities: | | |
| Program loans repaid | 1,383,102 | 1,341,091 |
| Program loans made | - | (3,000,000) |
| Sale of investments | 19,788,883 | 31,443,867 |
| Purchase of investments | (21,318,952) | (29,736,391) |
| Hedge fund and offshore feeder funds distributions | 2,651,692 | 1,551,202 |
| Hedge fund and offshore feeder funds contributions | (1,459,484) | (1,548,294) |
| Cash provided by investing activities | 1,045,241 | 51,475 |
| Increase in cash and cash equivalents | 144,186 | 928,969 |
| Cash and cash equivalents - beginning of year | 1,894,094 | 965,125 |
| Cash and cash equivalents - end of year | \$ 2,038,280 | \$ 1,894,094 |

See accompanying Notes to Consolidated Financial Statements.

CLOVER FOUNDATION and SUBSIDIARY

Notes to Consolidated Financial Statements

December 31, 2019

NOTE A - NATURE OF ACTIVITIES and SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Clover Foundation (the "Foundation") is a not-for-profit non-operating private foundation that provides a program of support and assistance to vocational, charitable, research and educational institutions from the elementary level through graduate studies. The Foundation does this by making grants and loans to domestic and foreign non-profit charitable organizations fostering the same objectives as the Foundation.

The Foundation also owns real property that it leases to a tax-exempt, non-profit educational organization, IESE-USA, Inc.

The Foundation was formed in the State of Texas on May 27, 1986.

Principles of Consolidation

The consolidated financial statements include the accounts of Clover Foundation and its wholly-owned subsidiary, 165 W 57 LLC. The LLC was formed in 2009 for the sole purpose of holding all right, title and interest in the Foundation's real property. Previously, such real property was owned directly by the Foundation. All material inter-entity transactions and balances have been eliminated in consolidation.

Contributions

Contributions are recorded as support upon receipt of cash or on notification of an unconditional promise to give cash or other assets. A promise to give becomes unconditional when donor-imposed conditions are substantially met by the Foundation and the promise is legally binding upon the donor. Contributions are considered to be without donor restrictions, unless specifically restricted by the donor. No contributions with donor restrictions have been received by the Foundation as of December 31, 2019.

Contributions of donated non-cash assets are recorded at their fair values in the period received.

Contributed Services

Contributions of donated services that create or enhance non-financial assets or that require specialized skills are recorded at fair values. Specialized skill services are typically purchased. The Foundation has paid for services requiring specific professional expertise during the year ended December 31, 2019.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CLOVER FOUNDATION and SUBSIDIARY

Notes to Consolidated Financial Statements

December 31, 2019

NOTE A - NATURE OF ACTIVITIES and SIGNIFICANT ACCOUNTING POLICIES (continued)

Domestic Land and Building

In 2007 the Foundation purchased a 6-story office building in New York City for an acquisition cost of approximately \$25,766,000. Improvements to make the facility suitable for educational purposes costing approximately \$18 million were made by the tenant, IESE-USA, Inc., a charitable, non-profit organization. In 2008 the Foundation made grants of \$4,200,000 to the tenant for improvements; and in 2010 made loans of \$6,520,000 for the same purpose. The loans were fully repaid during 2011.

The building was placed in service in May, 2010. The tenant is responsible for all operating costs of the property. The Foundation charges rent to the tenant in an amount equal to the Foundation's depreciation expense on the building. Depreciation of the property recorded using the straight-line method over 30 years.

Income Taxes

The Foundation qualifies as a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code (IRC) and is a private foundation under the Code. Donations to the Foundation are deductible as charitable contributions on income tax returns, subject to IRC limitations.

The Foundation is subject to an excise tax on net investment income, including realized capital gains. The rate of tax may be 1% or 2%, depending on levels of qualifying charitable distributions. For 2019 the Foundation's net investment excise tax rate was 2%. Beginning in 2020 the tax rate has been established at 1.39% and will no longer depend on levels of qualifying charitable distributions.

Management believes that it has appropriate support for all tax positions taken in the Foundation's IRS Return of Private Foundation (Form 990-PF) and, accordingly, has not taken any uncertain tax positions that would affect the Foundation's tax-exempt status or create a tax liability that would be material to the financial statements. The Foundation's Forms 990-PF for the years 2016 through 2018 are open to examination by the IRS.

Investments at Fair Value

Investments in other than foreign real estate are reported at fair value in the statement of financial position. Realized and unrealized gains and losses in fair value are included in the statement of financial activity.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include bank and money market accounts that are highly liquid, other than those included in investments at fair value.

CLOVER FOUNDATION and SUBSIDIARY

Notes to Consolidated Financial Statements

December 31, 2019

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses

The costs of programmatic and administrative activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated between program and administrative expenses based on time-and-effort, space usage and other pertinent data.

Comparative Information

The financial statements include certain prior-year comparative information that may not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2018, from which the summarized information was derived. Certain 2018 figures have been reclassified to conform to the 2019 presentation.

Program Loans

As part of its charitable program the Foundation provides loans to vocational, educational, research and charitable organizations worldwide, the proceeds of which are for the recipients' capital construction projects or charitable programs. Consistent with the charitable purposes of the Foundation and its program loan recipients, the Foundation may at any time grant the reduction or forgiveness of principal or interest owed when it is deemed to be in the best interest of the borrower. In addition, the Foundation may from time-to-time enter into incentive agreements with borrowers, whereby certain portions of principal and interest will be reduced or forgiven, conditioned upon the borrower meeting repayment schedules and certain other performance factors. Any amounts reduced or forgiven are charged to grant expense in the period such actions are taken.

NOTE B – INVESTMENTS AT FAIR VALUE

Investment Policy

The Foundation maintains an investment portfolio for which the primary return objective is long-term growth with a moderate level of volatility over a ten-year time horizon. A well-established portfolio manager is employed. Specific policies call for a mixture of assets with target allocations of: cash and equivalents - 2%; equities - 64%; fixed income securities 20%; hedge funds - 14%. Significant variations may be made as approved by the investment committee.

The Foundation also invests selectively in offshore "feeder funds" that have investment objectives deemed by the investment committee to be compatible with the Foundation's overall investment goals and strategies.

CLOVER FOUNDATION and SUBSIDIARY

Notes to Consolidated Financial Statements

December 31, 2019

NOTE B – INVESTMENTS AT FAIR VALUE (continued)

Investment Valuation

Investments in cash and equivalents, equities and fixed income securities are presented at fair value within a hierarchy that prioritizes the information inputs used to measure fair value into three broad levels - Level 1, Level 2 and Level 3.

Level 1 inputs include unadjusted quoted prices in active markets for identical assets, such as those published by NYSE, NASDAQ or Chicago Board of Trade. It also includes mutual fund investments redeemable at daily-published unit prices.

Level 2 inputs are observable for valuing the asset, either directly or indirectly (*i.e.* interest rate and yield curves observable at commonly quoted intervals, default rates, *etc.*). Those inputs may include quoted prices for similar (but not identical) assets in active or non-active markets. This category includes certificates of deposit.

Level 3 inputs reflect a reporting entity's own assumptions and methods concerning factors that market participants would use in valuing the asset.

Fair value information concerning hedge fund and offshore "feeder fund" investments is not determined within the fair value input methodology described above. The fair values of those assets are measured using net asset values ("NAV") reported by the funds as a practical expedient. The following schedule summarizes the fair value of investments:

| | Fair Value | | | Percentage of Total |
|--------------------------------------|---------------------|---------------------|---------------------|------------------------|
| | Level 1 | Level 2 | Total | |
| Cash and cash equivalents | \$ 1,962,893 | \$ - | \$ 1,962,893 | 2.9 % |
| Fixed income | - | 11,331,806 | 11,331,806 | 16.5 % |
| Equities | 38,588,579 | - | 38,588,578 | 55.8 % |
| Commodities | - | 937,396 | 937,396 | 1.4 % |
| | <u>\$40,551,472</u> | <u>\$12,269,202</u> | 52,820,673 | 76.6 % |
| Offshore feeder funds and hedge fund | | | <u>16,155,761</u> | <u>23.4 %</u> |
| Total investments at fair value | | | <u>\$68,976,434</u> | <u>100.0 %</u> |

CLOVER FOUNDATION and SUBSIDIARY

Notes to Consolidated Financial Statements

December 31, 2019

NOTE B – INVESTMENTS AT FAIR VALUE (continued)

Additional information concerning hedge fund and offshore "feeder fund" investments is presented below.

| | <u>Fair Value</u> | <u>Unfunded Commitments</u> | <u>Redemption Frequency</u> | <u>Redemption Notice Period</u> |
|---------------------------|----------------------|---------------------------------|---------------------------------|-------------------------------------|
| Hedge fund (a) | \$ 8,852,607 | \$ - | Quarterly | 90 Days |
| Offshore feeder funds (b) | <u>7,303,154</u> | <u>2,132,887</u> | N/A | N/A |
| | <u>\$ 16,155,761</u> | <u>\$ 2,132,887</u> | | |

a) The hedge fund primarily invests with portfolio managers employing different investment strategies. For example, some of the fund's portfolio managers may rely on equity strategies (e.g., long/short, long only), while others may rely on fixed income or macro-economic strategies. Within each strategy, the fund expects that it will not rely on any single portfolio manager. The fair value of this investment was estimated using the net asset value per share reported by the fund manager. Shares of the fund may be redeemed as of the last business day of each calendar quarter at the net asset value per share then in effect. Requests for redemption must be made at least 90 calendar days prior to the redemption date.

b) The eleven offshore feeder funds invest in European non-performing loans ("NPL"); distressed NPL portfolios; real estate; structured credit transactions; distressed securities; a diversified portfolio of primarily privately negotiated, secured loans to European mid-market companies; oil and gas; private and late-stage growth companies. The fair value of these investments was estimated using the net asset value per share reported by the funds. These investments can never be redeemed with the funds. Distributions will be received as their underlying investments are liquidated, estimated to occur over the next 5 to 8 years.

Investment Return

The composition of investment return was as follows:

| | <u>2019</u> | <u>2018</u> |
|--|----------------------|-----------------------|
| Realized and unrealized gain (loss) | \$ 8,480,061 | \$ (4,050,942) |
| Dividends and interest, net of foreign taxes | 1,341,232 | 1,165,755 |
| Investment fees paid directly | (273,699) | (290,039) |
| Offshore feeder fund and hedge fund earnings | 1,445,426 | 973,705 |
| Foreign currency loss | (3,955) | (1,391) |
| Excise tax on investment income | (18,373) | (59,764) |
| Class action settlements | <u>630</u> | <u>29,049</u> |
| | <u>\$ 10,971,322</u> | <u>\$ (2,233,627)</u> |

CLOVER FOUNDATION and SUBSIDIARY
Notes to Consolidated Financial Statements

December 31, 2019

NOTE B – INVESTMENTS AT FAIR VALUE (continued)

Investment Activity

The changes in fair value of investments for the years 2019 and 2018 are summarized as follows:

| | 2019 | 2018 |
|--|---------------|---------------|
| Beginning of year | \$ 58,717,041 | \$ 63,506,053 |
| Purchases | 21,318,952 | 29,736,391 |
| Sales | (19,788,883) | (31,443,867) |
| Realized and unrealized gain (loss) | 8,480,061 | (4,050,942) |
| Offshore feeder funds and hedge fund contributions | 1,459,484 | 1,548,294 |
| Offshore feeder funds and hedge fund distributions | (2,651,692) | (1,551,202) |
| Offshore feeder funds and hedge fund earnings (loss) | 1,445,426 | 973,705 |
| Foreign exchange loss | (3,955) | (1,391) |
| End of year | \$ 68,976,434 | \$ 58,717,041 |

NOTE C – FOREIGN REAL ESTATE and CHARITABLE REMAINDER TRUST

The Foundation became remainder beneficiary of an irrevocable charitable trust (the "Trust") in 2014. The Trust is a Mexican entity operating under the laws of Mexico, and is expected to distribute its assets to the Foundation at some future time, not sooner than ten years. The assets of the Trust are a mix of securities, operating businesses, real estate and various other assets. Those assets will be managed by the trustees until the distribution occurs. The Foundation's management has been unable to determine whether this arrangement meets the criteria for recording its beneficial interest in the Trust as an asset. Accordingly, the Foundation's beneficial interest in the Trust is not reported in the accompanying financial statements.

In June 2012, the Foundation invested \$5,000,000 for the title to a building located in Mexico City. One of the operating businesses owned by the Trust will have beneficial ownership of the building's annual net income for an initial period of 16 years. After the initial period, the beneficial ownership of the building's annual net income will revert to the Foundation. The Foundation's \$5,000,000 investment is reflected in the statement of financial position at cost.

In December 2014, the Board of the Foundation assigned its interest in the building as security for a bank loan to the aforementioned operating business.

In May 2019, the Board agreed to pledge \$15 million of the Foundation's assets to guarantee a loan by Citibank to the Trust, which had more favorable terms than existing financing. The decision was reached after having received advice from legal counsel that the proposed guarantee was compliant with IRS regulations and consistent with the fiduciary duties of the members of the Clover Board.

CLOVER FOUNDATION and SUBSIDIARY

Notes to Consolidated Financial Statements

December 31, 2019

NOTE D – DOMESTIC LAND AND BUILDING and PROGRAM RENTAL REVENUE

The composition of the Foundation’s land and building in New York City is as follows:

| | |
|---------------------------|----------------------|
| Land | \$ 12,912,000 |
| Building and improvements | <u>12,854,528</u> |
| | 25,766,528 |
| Accumulated depreciation | <u>(4,106,305)</u> |
| | <u>\$ 21,660,223</u> |

Depreciation of building and improvements is recorded using the straight-line method over 30 years. Depreciation expense for 2019 was \$428,484. The land and building are leased to IESE-USA until May 15, 2030 at an annual rental \$428,484.

NOTE E – RELATED PARTY TRANSACTIONS

The Foundation has entered into a service agreement with a tax-exempt public charity with similar goals as the Foundation. That agreement calls for the public charity to provide administrative services regarding corporate, grant, loan, donor and investment administration. The agreement calls for an expense reimbursement payment from the Foundation to the public charity of \$49,916 per year. The public charity has board members and officers who are also board members and officers of the Foundation. The Foundation’s directors and/or officers may from time to time serve as directors and/or officers of not-for-profit organizations that receive grants or loans from, or make contributions to, the Foundation.

NOTE F – PROGRAM LOANS RECEIVABLE

Loans receivable of \$15,945,100 at December 31, 2019 consist of twelve loans that are due in installments through 2033. Loans range in interest from 0.5 to 2.0 percent. In 2019, loan balances of \$137,252 were forgiven pursuant to incentive agreements with borrowers. Program loans receivable are reviewed at least annually for potential impairment of collectability and conversion to grants. Principal payments on program loans receivable are scheduled to be received as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|----------------------|
| 2020 | \$ 1,309,728 |
| 2021 | 1,503,692 |
| 2022 | 1,506,714 |
| 2023 | 1,450,156 |
| 2024 | 1,322,581 |
| 2025 - 2033 | <u>8,852,229</u> |
| | <u>\$ 15,945,100</u> |

CLOVER FOUNDATION and SUBSIDIARY
Notes to Consolidated Financial Statements
December 31, 2019

NOTE G – LIQUIDITY AND AVAILABILITY OF RESOURCES

The following represents the Foundation's financial assets at December 31, 2019:

| | |
|---|----------------------|
| Financial assets at end of year: | |
| Cash and cash equivalents | \$ 2,038,280 |
| Program loans receivable | 15,945,100 |
| Investments, at fair value | 68,976,434 |
| Accrued investment income and other assets | <u>245,761</u> |
| | 87,205,575 |
| Amounts not available within one year: | |
| Program loans due beyond one year | (14,635,372) |
| Pledged assets (see Note C) | (15,000,000) |
| Investments subject to liquidity restrictions | <u>(7,303,154)</u> |
| Financial assets available within one year | <u>\$ 50,267,049</u> |

The Foundation structures its financial assets to be available as its general expenditures, liabilities and other obligations become due. The Foundation's primary outlays of operating cash and cash equivalents are for grants and program loans, both of which are made on a discretionary basis by the Board, with due consideration of the effect on liquidity. As part of its liquidity plan, a significant portion of the Foundation's investments have immediate liquidity.

NOTE H – SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through March 9, 2021, which is the date the financial statements were available to be issued. Management is not aware of any subsequent events which would require recognition or disclosure in the accompanying financial statements.

The COVID-19 pandemic, which first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of COVID-19 on the Foundation's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak; and its impact on our investment portfolio, grantees, and loan recipients, all of which cannot presently be determined. Accordingly, the extent to which COVID-19 may impact the Foundation's financial position, changes in net assets and cash flows is uncertain; and the accompanying financial statements include no adjustments relating to the effects of the pandemic.