



REPORT OF INDEPENDENT AUDITORS
AND CONSOLIDATED FINANCIAL STATEMENTS

**SANTA FE COMMUNITY FOUNDATION
AND SUBSIDIARIES**

December 31, 2022 and 2021

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Report of Independent Auditors

The Board of Directors of the
Santa Fe Community Foundation and Subsidiaries

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Santa Fe Community Foundation and its subsidiaries (Foundation), which comprise the consolidated financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities and changes in net assets, and cash flows for the years 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 financial position of the Foundation as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 the Foundation 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

The image shows a handwritten signature in cursive script that reads "Moss Adams LLP".

Albuquerque, New Mexico
September 20, 2023

Santa Fe Community Foundation and Subsidiaries
Consolidated Statements of Financial Position

		December 31	
		2022	2021
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$	26,288,879	\$ 20,049,446
Interest Receivable		7,960	4,500
Rent Receivable		14,171	9,450
Promises to give		-	8,276
Program related investments, net		2,110,630	2,148,460
Investments			
Charitable gift annuities		230,780	455,411
Endowment and other		84,067,326	93,936,087
Total investments		84,298,106	94,391,498
Property and equipment, net		2,196,819	2,210,776
Prepaid expenses		106,966	183,783
Other assets		107,604	112,058
TOTAL ASSETS	\$	115,131,135	\$ 119,118,247
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accrued expenses	\$	402,873	\$ 300,607
Charitable gift annuities payable		103,874	113,989
Funds held for agencies		4,539,305	5,051,323
Total liabilities		5,046,052	5,465,919
NET ASSETS			
Without donor restrictions		9,073,918	11,214,374
With donor restrictions		101,011,165	102,437,954
Total net assets		110,085,083	113,652,328
TOTAL LIABILITIES AND NET ASSETS	\$	115,131,135	\$ 119,118,247

See accompanying notes to these consolidated financial statements.

Santa Fe Community Foundation and Subsidiaries
Consolidated Statements of Activities and Changes in Net Assets

	For the Year Ended December 31, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS AND OTHER INCOME			
Contributions	\$ 1,097,631	\$ 27,188,089	\$ 28,285,720
Event income	15,425	-	15,425
Interest and dividends	412,678	1,472,408	1,885,086
Net realized and unrealized loss	(1,340,623)	(12,632,139)	(13,972,762)
Other income	4,290	-	4,290
Program income	583,861	-	583,861
Rental income from tenants	56,686	-	56,686
Change in split interest agreements	-	(3,785)	(3,785)
Other changes in Net Assets	(812,993)	812,993	-
Net assets released from restriction	18,264,355	(18,264,355)	-
	<u>18,281,310</u>	<u>(1,426,789)</u>	<u>16,854,521</u>
Contributed goods and services	<u>10,485</u>	<u>-</u>	<u>10,485</u>
Total revenue, gains and other income	<u>18,291,795</u>	<u>(1,426,789)</u>	<u>16,865,006</u>
EXPENSES			
Program services			
Grants	14,795,049	-	14,795,049
Program expenses	4,259,854	-	4,259,854
	<u>19,054,903</u>	<u>-</u>	<u>19,054,903</u>
SUPPORTING SERVICES			
General and administrative	775,317	-	775,317
Development and donor services	602,031	-	602,031
	<u>1,377,348</u>	<u>-</u>	<u>1,377,348</u>
Total expenses	<u>20,432,251</u>	<u>-</u>	<u>20,432,251</u>
CHANGE IN NET ASSETS	(2,140,456)	(1,426,789)	(3,567,245)
NET ASSETS, beginning of year	<u>11,214,374</u>	<u>102,437,954</u>	<u>113,652,328</u>
NET ASSETS, end of year	<u>\$ 9,073,918</u>	<u>\$ 101,011,165</u>	<u>\$ 110,085,083</u>

See accompanying notes to these consolidated financial statements.

Santa Fe Community Foundation and Subsidiaries
Consolidated Statements of Activities and Changes in Net Assets

	For the Year Ended December 31, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS AND OTHER INCOME			
Contributions	\$ 697,744	\$ 14,705,334	\$ 15,403,078
Event income	55,457	-	55,457
Interest and dividends	177,317	1,707,792	1,885,109
Net realized and unrealized gain	822,053	8,045,274	8,867,327
Other income	68,229	-	68,229
Program income	644,201	-	644,201
Rental income from tenants	47,248	-	47,248
Change in split interest agreements	-	(4,098)	(4,098)
Net assets released from restriction	13,725,711	(13,725,711)	-
	<u>16,237,960</u>	<u>10,728,591</u>	<u>26,966,551</u>
Contributed goods and services	<u>9,437</u>	<u>-</u>	<u>9,437</u>
Total revenue, gains and other income	<u>16,247,397</u>	<u>10,728,591</u>	<u>26,975,988</u>
EXPENSES			
Program services			
Grants	11,224,402	-	11,224,402
Program expenses	3,635,594	-	3,635,594
	<u>14,859,996</u>	<u>-</u>	<u>14,859,996</u>
SUPPORTING SERVICES			
General and administrative	591,853	-	591,853
Development and donor services	523,730	-	523,730
	<u>1,115,583</u>	<u>-</u>	<u>1,115,583</u>
Total expenses	<u>15,975,579</u>	<u>-</u>	<u>15,975,579</u>
CHANGE IN NET ASSETS	271,818	10,728,591	11,000,409
NET ASSETS, beginning of year	<u>10,942,556</u>	<u>91,709,363</u>	<u>102,651,919</u>
NET ASSETS, end of year	<u>\$ 11,214,374</u>	<u>\$ 102,437,954</u>	<u>\$ 113,652,328</u>

See accompanying notes to these consolidated financial statements.

Santa Fe Community Foundation and Subsidiaries
Consolidated Statements of Cash Flows

	Years Ended December 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (3,567,245)	\$ 11,000,409
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation	108,052	94,836
Realized loss on disposal of assets	26,520	-
Net realized and unrealized loss (gain) on investments	13,972,762	(8,867,327)
Change in split interest agreements	3,785	4,098
Contributions restricted for endowment	(27,266,183)	(6,136,288)
Changes in assets and liabilities		
Interest receivable	(3,460)	(4,500)
Rent receivable	(4,721)	4,724
Promises to give	8,276	(6,236)
Other assets	4,454	(4,454)
Prepaid expenses	76,817	(88,533)
Accrued expenses	102,266	(115,381)
Funds held for agencies	(512,018)	627,514
Net cash used in operating activities	(17,050,695)	(3,491,138)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	52,621,365	50,600,523
Purchases of investments	(56,361,753)	(49,482,723)
Proceeds from program related investments	148,848	247,669
Payments to program related investments	(250,000)	(250,000)
Acquisition of property and equipment	(120,615)	(36,135)
Net cash (used in) provided by investing activities	(3,962,155)	1,079,334
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for endowment	27,266,183	6,136,288
Payments on charitable gift annuities	(13,900)	(13,900)
Net cash provided by financing activities	27,252,283	6,122,388
CHANGE IN CASH AND CASH EQUIVALENTS	6,239,433	3,710,584
CASH AND CASH EQUIVALENTS, beginning of year	20,049,446	16,338,862
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 26,288,879</u>	<u>\$ 20,049,446</u>

See accompanying notes to these consolidated financial statements.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 1 – Nature of the Organization

The Santa Fe Community Foundation (Foundation), formed in 1981, is a philanthropic organization deeply rooted in the multiple cultures and values of New Mexico, applying our diverse resources strategically and economically to advance equitable access to opportunities in Santa Fe and our surrounding communities.

Our Mission: The Santa Fe Community Foundation inspires philanthropic generosity, strengthens nonprofits, and fosters positive change to build a more vibrant, healthy, and resilient region.

Our Vision: A thriving northern New Mexico, where all people can find opportunity, build connections, and contribute to the well-being of their communities.

The Foundation oversees a thoughtful community grants process and stewards fields of interest funds in the following areas:

- Health
- Education
- Civic & Economic Opportunity
- Environment
- Arts

The Foundation is both a leader in strategic philanthropy and an advocate for purposeful giving in our communities. The Foundation's discretionary grants are made to 501(c)(3) organizations who primarily provide programs within the counties of Mora, Rio Arriba, San Miguel, and Santa Fe. Additionally, the Foundation offers a comprehensive philanthropic platform to accomplish positive change in our communities that includes:

- Building and managing endowment funds, to award grants;
- Helping nonprofits operate more effectively;
- Convening area residents to discuss issues of critical importance to the community; and
- Providing leadership for key community initiatives

Out of reverence for this unique place we call home, the Foundation values:

Equity We recognize the systemic injustice in our community and commit to prioritizing equity and belonging in how we operate and the work we do.	Perseverance While responsive to immediate challenges, we stay committed to long-term strategies and investments that strengthen our region's capacity to navigate social, economic, and ecological change.
Listening As a trusted learning organization, we initiate and engage in authentic, respectful dialogue to understand, include, and respond to the rich diversity of voices and ideas in our region.	Generosity We strive to expand the understanding and practice of philanthropy and to engage the generosity of wealth, knowledge, and spirit of all people in Northern New Mexico.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 1 – Nature of the Organization (continued)

When community needs arise beyond our field of interest areas or geographic footprint, the Foundation may respond with appropriate leadership efforts, programmatic activities, or investment initiatives.

Note 2 – Summary of Significant Accounting Policies

Principles of Consolidation and Basis of Accounting

The consolidated financial statements of the Foundation and its four, wholly owned, single-member LLCs (SFCF, LLC, SFCF Pinon Legacy, LLC, SFCF Special Projects, LLC, and Las Vegas NM Impact, LLC) have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. All significant inter-entity accounts and transactions have been eliminated in the consolidation. SFCF, LLC holds the building on Halona Street in which the Foundation resides (see Note 11). SFCF Pinon Legacy, LLC holds real estate contributed to the Foundation.

SFCF Special Projects, LLC holds the equipment and the activity of the MoGro program (see Note 12). Las Vegas NM Impact, LLC is a for-profit entity that, until December 31, 2022, owned a 5% membership interest in Historic Hotels of Las Vegas, New Mexico, LLC—an entity that restored and manages the Plaza Hotel and the Castañeda Hotel in Las Vegas, New Mexico. The membership interest was accounted for at cost.

Basis of Presentation and Net Asset Classification

The Foundation's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations (GAAP). The Financial Accounting Standards Board (FASB) has established the Accounting Standards Codification (ASC), as the source of authoritative accounting principles to be applied in the preparation of financial statements in accordance with GAAP. Net assets and revenues, expenses, gains, and losses are classified based on 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 general use and not subject to donor restrictions. Net assets without donor restrictions include the investment in property and equipment, net of depreciation. The Foundation's board of directors may designate donor gifts without restrictions at its discretion. The Board of Directors has designated net assets without donor restrictions for use in its grant-making and in its administrative support.

Net Assets with Donor Restrictions – Net assets that consist of contributions and endowment investment earnings subject to donor restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met, either by actions of the Foundation and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without restrictions unless their use is restricted by explicit donor stipulation or by law. Board application of variance power or expirations of donor-imposed restrictions on net assets, that is, the donor-imposed stipulated purpose has been accomplished and/or the stipulated period has elapsed, are reported as reclassifications between the applicable classes of net assets.

The State of New Mexico adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective July 1, 2009. As required by UPMIFA, and on the advice of legal counsel, the Board of Directors has determined most of the Foundation's contributions are subject to the terms of its governing documents. Certain contributions are received subject to other gift instruments or are subject to specific agreements with the Foundation.

Under the terms of the governing documents, the Board of Directors can distribute as much of the corpus of any trust or separate gift, devise, bequest, or fund as the Board of Directors, in its sole discretion, shall determine. As a result of the ability to distribute corpus, all contributions not classified as donor restricted are classified as without donor restrictions for consolidated financial statement purposes.

In accordance with UPMIFA, The Foundation considers funds that are not wholly expendable in one year as endowment. Funds considered perpetual endowments as well as non-perpetual funds that are not subject to the foundations spending policy and spend variable amounts yearly are reported as endowments.

Endowment Investment and Spending Policies

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funds for programs supported by its endowments, while seeking long-term growth of the endowment assets. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds for grant making and administration. During 2018, the Foundation's Board of Directors approved a distribution policy of 4%, which remains in effect through 2022. This is consistent with the Foundation's objective for long-term growth of endowment assets, as well as to provide additional real growth through new gifts and investment return. Certain endowments are not subject to the Foundation's spending policy. They are subject to the gift instruments or specific agreements with the Foundation.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

From time to time, the fair value of assets associated with endowed funds may fall below the level of the contribution value of that fund that is classified with donor restrictions for a perpetual duration. The Foundation's spending policy permits spending from underwater funds, unless otherwise precluded by donor intent, relevant laws, or regulations.

Program Related Investing

The Foundation has adopted a local impact investing initiative. The managing principles for these investments require both a social impact and a financial return, in alignment with the Foundation's Investment Policy, and must reasonably appear to create a positive economic and social impact in New Mexico. Investments may be made through intermediaries or may be made directly should the investment meet a pre-determined set of criteria. Investments may be made to both nonprofit and for-profit entities. In 2012, the Board of Directors established the initial amount for investment at \$1.5 million. During 2017, the Board of Directors agreed to increase the amount to \$4.5 million. An allowance account for a loan loss reserve is established for each loan investment.

Funds Held for Agencies

GAAP established standards for transactions in which a community foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets, or both to another entity that is specified by the donor. These standards specifically require that if a Not-for-Profit Organization (NPO) establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as agency endowments.

The Foundation maintains variance power and legal ownership of agency endowment funds, and as such, continues to report the funds as assets of the Foundation. However, a liability has been established for the fair value of the funds.

Use of Estimates

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

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents include cash in financial institutions and highly liquid investments with maturity dates of three months or less.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Promises to Give and Contributions

Contributions and unconditional promises to give are recorded as revenues in the period when the donor makes the commitment. Conditional promises are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair market value at the date of donation.

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Investments

The Foundation carries its investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the consolidated statements of financial position. Investment transactions, including transfers between the levels of fair value inputs, are recognized as of the date of the event. The absolute return fund investments and other complementary strategies, which are not readily marketable, are valued using the net asset value (NAV)-practical expedient (see Note 6 for definition). The Foundation reviews and evaluates the values provided by the investment managers and agrees with the valuation methods and assumptions used in determining the fair value of these investments. These estimated fair values may differ significantly from the values that would have been used had a ready market for these investments existed. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statements of activities.

Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Estimated useful lives for furniture and equipment range from three to seven years and building and improvements range from seven to thirty-nine years.

Long-Lived Assets

The Foundation reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset and its fair value are less than the carrying amount of that asset. The Foundation has not recognized any impairment of long-lived assets during 2022 or 2021.

Donated Assets

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Other Assets

Other assets can include donated land, buildings, and other property which are recorded at fair value at the date of donation and will be sold when feasible. Other assets may also consist of inventory, which is recorded at cost and consists of the food products available for sale in the MoGro program. Inventory counts are taken monthly. Cost of goods sold is computed using the FIFO method (first-in, first-out).

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills that are performed by people with those skills and would otherwise be purchased by the Foundation. Volunteers provided valuable services throughout the year that are not recognized as contributions in the consolidated financial statements because the recognition criteria were not met.

Allocation of Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The consolidated financial statements report expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses, excluding grant disbursements, are allocated based on estimates from an extensive business model analysis.

Income Taxes

The Foundation is a non-profit corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation is subject to the accounting standard on accounting for uncertainty in income taxes that addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under this guidance, the Foundation may recognize the tax benefit from an uncertain position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the tax positions for the Foundation and concluded that the Foundation had taken no uncertain income tax positions that require adjustments to the consolidated financial statements to comply with the provisions of this guidance.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Cash Concentrations

The Foundation's deposits at Enterprise Bank and Trust exceeded the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000 at times during the year. At December 31, 2022 and 2021, approximately \$18 million and \$17 million, respectively, of the Foundation's cash deposits were uninsured based on FDIC insurance limits. The Foundation minimizes this risk by maintaining cash and equivalent with high credit quality institutions.

Financial Instruments and Credit Risk

The Foundation manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions the Foundation believes to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Foundation has not experienced losses in any of these accounts. Subsequent to year end, several banks in the United States have been closed and the Federal Deposit Insurance Corporation (FDIC) has been appointed as receiver. If any of the financial institutions with whom the Foundation does business were to be placed into receivership, the Foundation may be unable to access the cash it has on deposit with such institutions. If the Foundation is unable to access its cash and cash equivalents as needed, its financial position and ability to operate could be adversely affected. No financial institutions with whom the Foundation does business have closed as of the date the consolidated financial statements were available to be issued. To manage deposit concentration risk, the Foundation signed a demand deposit agreement with its banking partner in March 2023 to place cash in deposit accounts divided into amounts under the standard FDIC insurance maximum of \$250,000 at several other network banks.

Recent Accounting Pronouncements

FASB Accounting Standards Update (ASU) 2016-02, *Leases*: Changes the way lessees will recognize leases, as they will recognize most leases on-balance sheet and will increase reported assets and liabilities. Lessor accounting remains substantially similar to current GAAP. The ASU mandates a modified retrospective transition method for all entities. Management has evaluated the impact of this ASU and there was not a significant impact on the consolidated financial statements upon adoption.

FASB 2020-07, *Presentation and Disclosures for Not-for-Profit Entities for Contributed Nonfinancial Assets*: modified the disclosure requirements for contributed nonfinancial assets. The Foundation is required to present any contributed nonfinancial assets as a separate line item in the statement of activities and require disclosure of the types of contributed nonfinancial assets, a description of any donor-imposed restrictions and a description of the valuation techniques and inputs used to determine the fair value of the contributed nonfinancial asset. Management has evaluated the impact of this ASU and there was not a significant impact on the consolidated financial statements upon adoption.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies (continued)

Evaluation of Subsequent Events

Subsequent events are events or transactions that occur after the consolidated statement of financial position date, but before the consolidated financial statements are issued. The Foundation recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statement of financial position, including the estimates inherent in the process of preparing the consolidated financial statements. The Foundation's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated statement of financial position but arose after that date and before the consolidated financial statements are available to be issued. The Foundation has evaluated subsequent events through September 20, 2023, the date the consolidated financial statements were available to be issued.

Reclassifications

Certain amounts as reported in the 2021 financial statements have been reclassified to conform with the 2022 presentation. There was no impact to net assets for the year ended December 31, 2021.

Note 3 – Liquidity

Financial assets available for operations and other expenses within one year of the dates of the consolidated statements of financial position are as follows at December 31, 2022 and 2021:

	December 31	
	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 26,288,879	\$ 20,049,446
Interest receivable	7,960	4,500
Rent receivable	14,171	9,450
Promises to give	-	8,276
Investments		
Charitable gift annuities	230,780	455,411
Endowment and other	84,067,326	93,936,087
Total financial assets at year-end	110,609,116	114,463,170
Less financial assets unavailable for general expenditure within one year due to:		
Perpetual endowments and accumulated earnings subject to appropriation beyond one year	(47,592,119)	(58,421,694)
Board-designated endowments	(6,497,731)	(9,612,608)
Funds subject to donor recommendations or specific purposes	(47,727,009)	(39,825,633)
Financial assets and liquidity resources available to meet cash needs and general expenditures within one year	<u>\$ 8,792,257</u>	<u>\$ 6,603,235</u>

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 3 – Liquidity (continued)

As part of the Foundation's liquidity management, financial assets are structured to be available as general expenses, liabilities and other obligations become due. The Foundation invests cash in excess of daily requirements in short-term investments and money market funds.

Funds with donor restrictions are not available for general operating expenses. Those funds include permanently endowed funds and funds restricted for a specific purpose. Amounts for expenses and grants for these funds are calculated based upon the individual fund agreements.

As described in Note 2, the Foundation's Board of Directors approved an endowment spending policy of 4% of the trailing twelve-quarter average balance of the endowments value. The spendable amount from the Foundation's endowments is calculated on a yearly basis depending upon the terms of the endowment. During the first quarter of 2022 and the first quarter of 2021, calculations were completed to appropriate the spendable amount for 2022 and 2021 grants, which totaled \$1,094,766 and \$1,715,795, respectively. The amount available for 2022 and 2021 administrative support totaled \$67,000 and \$93,809, respectively.

Fees from the management of funds are calculated on a quarterly basis. The first quarter of 2022 and the first quarter of 2021 calculations resulted in quarterly fees of approximately \$374,000 and \$375,000, respectively, to be used to support the operations of the Foundation.

Although the Foundation does not intend to spend from its board-designated endowments (other than the amounts appropriated per the spending policy), these amounts could be made available, if necessary.

Note 4 – Promises to Give

Unconditional promises to give related to the MoGro program (see Note 12) at December 31, 2022 and 2021 totaled \$0 - and \$8,276, respectively, and are expected to be received within one year. Management believes these amounts are fully collectible; therefore, no allowance has been recorded.

Note 5 – Charitable Gift Annuities (Split Interest Agreements)

The Foundation is the recipient of various charitable gift annuities from donors. A charitable gift annuity is an arrangement in which a donor contributes assets to the Foundation in exchange for distributions of a fixed amount for a specified period to a donor-designated annuitant(s).

After satisfying the Foundation's annuity obligations, any net remaining value shall be directed to the charitable fund(s) selected by the donor. Assets are reported at fair market value in the Foundation's consolidated statement of financial position and included in the Foundation's investment account balances. The present value of estimated future payments is calculated using discount rates ranging from 2.2% to 4.2%.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 6 – Fair Value Measurements

In determining fair value, the Foundation uses various valuation approaches within the fair value measurement framework of accounting standards. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

Accounting standards establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. The standards define levels within the hierarchy based on the reliability of inputs as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. This includes quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data.

Level 3 – Inputs are unobservable for the asset or liability. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying consolidated statement of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Equities (common stocks) and real estate investment trusts (REITs) are valued at the closing price reported on the major market on which the individual securities are traded. Common stocks, REITs, money market annuities, certificates of deposit, and U.S. treasury notes are generally classified within Level 1 of the valuation.

The corporate bonds, government agency bonds, taxable municipal bonds, preferred securities, and bond and equity mutual funds are valued at market rates such as quoted prices for similar assets or liabilities. They may also be valued by quoted prices in markets that are not active. These have been classified within Level 2 of the valuation hierarchy.

The estimated shares of hedge funds, managed futures and commodities funds, global alternatives funds, active income funds, absolute return funds, and long/short equity funds, are based on fund net asset value. The use of net asset value as fair value is deemed appropriate, as the investments do not have finite lives, unfunded commitments, or significant restrictions on redemptions.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 6 – Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2022 and 2021:

December 31, 2022				
Fair Value Measurements Using				
	Level 1	Level 2	Level 3	Total
Cash	\$ 230,654	\$ -	\$ -	\$ 230,654
Money market	1,411,215	-	-	1,411,215
U.S. treasury notes	1,748,904	-	-	1,748,904
Equities	25,136,717	-	-	25,136,717
Real estate investments	-	33,312	-	33,312
Government agency bonds	-	759,397	-	759,397
Taxable municipal bonds	-	211,572	-	211,572
Corporate bonds	-	2,195,595	-	2,195,595
Preferred securities	76,195	-	-	76,195
Hedge funds	-	2,388,392	-	2,388,392
Equity exchange-traded funds	-	17,771,307	-	17,771,307
Bond mutual funds	-	13,185,258	-	13,185,258
Equity mutual funds	-	5,108,429	-	5,108,429
Total assets in the fair value hierarchy	<u>\$ 28,603,685</u>	<u>\$ 41,653,262</u>	<u>\$ -</u>	70,256,947
Investments measured at NAV-practical expedient				<u>14,041,159</u>
				<u>\$ 84,298,106</u>

December 31, 2021				
Fair Value Measurements Using				
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ -	\$ -	\$ -
Money market - annuities	160,480	-	-	160,480
U.S. treasury notes	1,411,845	-	-	1,411,845
Equities	53,747,086	-	-	53,747,086
Real estate investments	1,930,531	-	-	1,930,531
Government agency bonds	-	961,854	-	961,854
Taxable municipal bonds	-	219,350	-	219,350
Corporate bond	-	2,504,265	-	2,504,265
Preferred securities	-	196,539	-	196,539
Bond mutual funds	-	14,183,078	-	14,183,078
Equity mutual funds	-	7,108,396	-	7,108,396
Total assets in the fair value hierarchy	<u>\$ 57,249,942</u>	<u>\$ 25,173,482</u>	<u>\$ -</u>	82,423,424
Investments measured at NAV-practical expedient				<u>11,968,074</u>
				<u>\$ 94,391,498</u>

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 6 – Fair Value Measurements (continued)

The following summarizes information related to the investment whose fair value is determined based upon NAV-practical expedient and has redemption restrictions as of December 31, 2022:

	Commitment Amount	Contributions to Date	Remaining Commitment	Estimated Fair Value of Invested Funds	Redemption Frequency	Redemption Notice Period
Hedge Funds				\$ 4,982,611	Quarterly	20-90 Days
Private Equity	\$ 14,009,923	\$ 7,622,318	\$ 6,709,667	<u>9,058,548</u>		
			Total NAV	<u><u>\$ 14,041,159</u></u>		

The following summarizes information related to the investment whose fair value is determined based upon NAV-practical expedient and has redemption restrictions as of December 31, 2021:

	Commitment Amount	Contributions to Date	Remaining Commitment	Estimated Fair Value of Invested Funds	Redemption Frequency	Redemption Notice Period
Hedge Funds				\$ 5,240,004	Quarterly	25-90 Days
Private Equity	\$ 12,509,923	\$ 6,006,771	\$ 6,602,313	<u>6,728,070</u>		
			Total NAV	<u><u>\$ 11,968,074</u></u>		

These represent investments in hedge funds, managed futures and commodities platform, a global alternatives fund, an active income fund, an absolute return fund, a private investment, and a long/short equity fund.

Note 7 – Program Related Investments

In 2022, the Foundation made a loan of \$250,000 to Navajo Power, to provide clean energy to tribal communities. Growing up New Mexico made scheduled principal payments on its loan.

In 2021, the Foundation made a new program related investment of \$250,000 in Homewise, New Mexico Fresh Foods and Growing Up New Mexico made scheduled principal payments. The Historic Hotels of Las Vegas, New Mexico, made principal payments to repay the program related investment in full.

The reserve against program related investments totaled \$21,150 and \$33,650 at December 31, 2022 and 2021.

At the end of 2022, the Foundation had invested \$2,390,000 in the form of 10 programmatic loans outstanding with an average carrying amount of \$213,178. These loans carry interest rates from 2%-5% and loan terms vary from 3 to 10 years. The entities to whom loans were made serve a variety of purposes including, providing affordable housing, clean energy and environmental sustainability. economic security, economic development, and job growth.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 8 – Property and Equipment

Property and equipment consist of the following at December 31:

	December 31	
	2022	2021
Furniture and equipment	\$ 654,734	\$ 606,762
Building and improvements	2,833,690	2,833,690
	3,488,424	3,440,452
Accumulated depreciation	(1,291,605)	(1,229,676)
Property and equipment, net	<u>\$ 2,196,819</u>	<u>\$ 2,210,776</u>

Depreciation expense totaled \$108,052 and \$94,836 for the years ended December 31, 2022 and 2021, respectively.

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Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 9 – Classification of Net Assets

The addition to endowment net assets, the Foundation also manages other non-endowed funds. The following table summarizes all Foundation net assets for the year ended December 31, 2022:

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment funds			
Administrative endowments	\$ -	\$ 1,371,056	\$ 1,371,056
Donor designated and agency endowment funds	-	49,333,165	49,333,165
Donor advised endowments	-	10,856,454	10,856,454
Discretionary endowments	-	1,037,688	1,037,688
Emergency endowments	-	785,615	785,615
Scholarship endowments	-	24,327,515	24,327,515
Field of interest endowments	-	1,684,275	1,684,275
Unrestricted endowments	2,561,780	2,537,961	5,099,741
Board-designated endowments	6,497,731	-	6,497,731
Total endowment funds	<u>\$ 9,059,511</u>	<u>\$ 91,933,729</u>	<u>\$ 100,993,240</u>
Non-endowment funds			
Donor advised	\$ -	\$ 4,460,924	\$ 4,460,924
Special projects	73,024	435,513	508,537
Discretionary	-	42,670	42,670
Emergency	-	329,076	329,076
Field of interest	-	3,567,019	3,567,019
Unrestricted	(58,617)	112,033	53,416
Total non-endowment funds	<u>14,407</u>	<u>8,947,235</u>	<u>8,961,642</u>
Split Interest agreements	<u>-</u>	<u>130,201</u>	<u>130,201</u>
Total net assets	<u>\$ 9,073,918</u>	<u>\$ 101,011,165</u>	<u>\$ 110,085,083</u>

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 9 – Classification of Net Assets (continued)

Net assets composition by type of fund for the year ended December 31, 2021 follows:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment funds			
Administrative endowments	\$ -	\$ 1,707,851	\$ 1,707,851
Donor designated and agency endowment funds	-	9,980,959	9,980,959
Donor advised endowments	-	54,447,188	54,447,188
Discretionary endowments	-	1,385,201	1,385,201
Emergency endowments	-	889,819	889,819
Scholarship endowments	-	2,080,616	2,080,616
Field of interest endowments	-	19,641,816	19,641,816
Unrestricted endowments	-	3,062,554	3,062,554
Board-designated endowments	9,612,608	-	9,612,608
Total endowment funds	<u>\$ 9,612,608</u>	<u>\$ 93,196,004</u>	<u>\$ 102,808,612</u>
Non-endowment funds			
Donor advised	\$ -	\$ 4,371,058	\$ 4,371,058
Special projects	74,130	1,172,858	1,246,988
Discretionary	-	41,170	41,170
Emergency	-	356,278	356,278
Field of interest	-	2,939,268	2,939,268
Unrestricted	1,527,636	21,378	1,549,014
Total non-endowment funds	<u>1,601,766</u>	<u>8,902,010</u>	<u>10,503,776</u>
Split Interest agreements	<u>-</u>	<u>339,940</u>	<u>339,940</u>
Total net assets	<u>\$ 11,214,374</u>	<u>\$ 102,437,954</u>	<u>\$ 113,652,328</u>

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 9 – Classification of Net Assets (continued)

The change in endowment net assets for the year ended December 31, 2022 and 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, end of year 2020	\$ 9,557,840	\$ 83,457,562	\$ 93,015,402
Contributions	(227,557)	6,363,845	6,136,288
Investment returns, net	991,033	9,707,036	10,698,069
Grants and scholarships	(434,244)	(5,462,686)	(5,896,930)
Other changes	(274,464)	(869,754)	(1,144,218)
Change in endowment net assets	54,768	9,738,441	9,793,209
Endowment net assets, end of year 2021	\$ 9,612,608	\$ 93,196,003	\$ 102,808,611
Contributions	\$ 78,094	\$ 27,188,089	\$ 27,266,183
Investment returns, net	(1,206,277)	(11,154,658)	(12,360,935)
Grants and scholarships	(110,689)	(5,796,836)	(5,907,525)
Other changes	685,774	(11,498,870)	(10,813,096)
Change in endowment net assets	(553,098)	(1,262,275)	(1,815,373)
Endowment net assets, end of year 2022	\$ 9,059,510	\$ 91,933,728	\$ 100,993,238

A summary of underwater endowment funds is as follows at December 31:

	December 31	
	2022	2021
Fair value of underwater endowment funds	\$ 35,038,516	\$ 3,069,212
Original endowment gift amount	37,369,851	3,317,544
Deficiencies of underwater endowment funds	\$ (2,331,335)	\$ (248,332)

Note 10 – Retirement Plan

The Foundation maintains a 401(k)-retirement plan that covers all employees. The plan was updated in 2022 to include a provision under which eligible employee's salary deferrals of up to 5% are eligible for a 100% match by the Foundation. Salary deferral and the Foundation's match are allowed after ninety days of employment, at which time employees are fully vested. Matching contributions to the plan are discretionary. In 2021 the plan included a provision under which eligible employee's salary deferrals of up to 10% were eligible for a 50% match by the Foundation. Employee salary deferrals were allowed after ninety days of employment and the Foundation's match was effective after 12 months of employment. The Foundation's matching contributions to the plan were \$44,746 and \$42,190 for the years ended December 31, 2022 and 2021, respectively.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 11 – Rental Income

SFCF, LLC purchased buildings at 501 Halona and 1101 Paseo de Peralta on July 25, 2011. As part of that purchase, SFCF, LLC obtained a five-year lease for Wigley Gallery. The lease for the 2,138 square foot gallery commenced on May 19, 2011, and ended in 2016. Upon termination, the lease was extended for six-month intervals with the most recent extension through December 31, 2022. Subsequently, the lease reverted to a month to month basis. This is an operating lease. Rental income of \$56,686 and \$47,248 are recognized in the consolidated statement of activities for 2022 and 2021, respectively.

Note 12 – SFCF Special Projects, LLC – MoGro Program

In March of 2013, the Foundation established an LLC, called SFCF Special Projects, LLC. The purpose of the entity is to accept property, equipment, and the operation of a program called Mobile Grocery or “MoGro.” A specially equipped trailer and inventory were donated for the program.

The purpose of the program is to deliver healthy, affordable fresh foods to rural, particularly Pueblo communities in New Mexico and since its inception has expanded to serve hundreds of clients regularly in Santa Fe and Albuquerque with fresh and local fruits and vegetables along with recipes and local traditional foods through a community supported agriculture (CSA) model,. The LLC has a contractual relationship with La Montanita Coop to provide the services for MoGro. The LLC also works closely with Johns Hopkins Center for American Indian Health, Notah Begay Foundation, La Familia, National Dance Institute of New Mexico and Roadrunner Foodbank.

In 2022, MoGro transitioned to an independent charitable entity registered as a New Mexico nonprofit corporation.

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 13 – Transactions in Funds Held for Agencies

The Foundation had 77 and 84 designated endowment funds and 55 and 52 agency endowment funds on December 31, 2022 and 2021, respectively. The agency endowments require accounting as funds held for agencies and had a combined value of \$4,539,305 and \$5,051,323 on December 31, 2022 and December 31, 2021, respectively. The financial effects of transactions related to agency funds are recorded as changes in the funds held for agencies liability and are not included in the 2021 or 2020 consolidated statement of activities.

	<u>2022</u>
Funds held for agencies at December 31, 2021	\$ 5,051,323
Additions	
Contributions	291,704
Investment income	30,723
Realized gains	<u>51,096</u>
Total additions	<u>373,523</u>
Deductions	
Distributions - grants	129,694
Unrealized losses	<u>755,847</u>
Total deductions	<u>885,541</u>
Funds held for agencies at December 31, 2022	<u><u>\$ 4,539,305</u></u>
	<u>2021</u>
Funds held for agencies at December 31, 2020	\$ 4,423,809
Additions	
Contributions	247,760
Investment income	44,287
Realized gains	<u>487,595</u>
Total additions	<u>779,642</u>
Deductions	
Distributions - grants	68,156
Unrealized losses	<u>83,972</u>
Total deductions	<u>152,128</u>
Funds held for agencies at December 31, 2021	<u><u>\$ 5,051,323</u></u>

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 14 – Related Party Transactions

The Foundation established SFCF, LLC in July of 2011 and has an intercompany operating agreement with SFCF, LLC. This entity holds the title to the building on Halona Street purchased in July of 2011, in which the Foundation and its community programs reside. The purchase price of the 11,000 square foot building was \$2,190,000. As part of its community leadership initiative, funds from the endowments held by the Foundation were used to invest in the purchase of the building. Principal payments, in amounts to be determined by the board of directors, will be made over the term of the note. The term of the note is 15 years. The related effects of these transactions are eliminated upon consolidation of the financial statements. In August 2014, the interest rate on the note was reviewed and lowered to 3.5% effective September 1, 2014.

Members of the Board of Directors contributed \$147,946 and \$92,369 during 2022 and 2021, respectively. Certain board members are fund advisors of funds held at the Foundation. As of December 31, 2022 and 2021, the value of these funds was \$637,696 and \$699,416, respectively.

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Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 15 – Schedules of Functional Expenses

The following schedule presents the natural classification of the summarized costs in the consolidated statement of activities and changes in net assets for 2022.

	For the Year Ended December 31, 2022			Total
	Program	General Administrative, Investment Fees and Services	Development and Donor Services	
Grants	\$ 14,795,049	\$ -	\$ -	\$ 14,795,049
Other expenses				
Salaries and wages	865,195	525,416	318,357	1,708,968
Seminars and events	16,491	6,565	9,847	32,903
Consulting services	69,832	23,328	34,992	128,152
Professional Services	1,085,774	7,244	10,866	1,103,884
Legal Services	11,979	3,427	5,141	20,547
In-Kind	10,485	-	-	10,485
Technology	85,373	29,162	44,302	158,837
Other employee benefits	104,476	58,905	35,772	199,153
Travel	34,891	4,101	6,151	45,143
Payroll taxes	63,740	38,800	22,873	125,413
Depreciation	101,178	2,749	4,124	108,051
Property expenses	35,238	13,993	20,990	70,221
Cost of goods sold	452,129	-	-	452,129
Supplies	35,273	1,394	2,012	38,679
Equipment rental and maintenance	6,851	-	-	6,851
Printing and publications	34,103	5,356	8,034	47,493
401(k) plan contributions	20,396	15,083	9,267	44,746
Pinon award expenses	20,976	-	-	20,976
Insurance	19,161	2,720	4,267	26,148
Dues & subscriptions	21,708	3,978	5,967	31,653
Accounting fees	20,956	8,382	12,574	41,912
Bank charges and fees	25,287	2,598	3,897	31,782
Special Events	-	-	-	-
Occupancy	89,022	8,652	5,107	102,781
Workshop expenses	148,484	-	-	148,484
Public relations	26,251	10,172	15,258	51,681
Postage and shipping	6,630	2,341	3,511	12,482
Pinon Awards	-	-	-	-
Professional development	250	100	150	500
Donor development	31,822	-	17,299	49,121
Miscellaneous	815,903	849	1,275	818,027
Conferences/conventions	-	-	-	-
Subtotal other expenses	4,259,854	775,315	602,033	5,637,202
Total expenses	\$ 19,054,903	\$ 775,315	\$ 602,033	\$ 20,432,251

Santa Fe Community Foundation and Subsidiaries

Notes to Consolidated Financial Statements

Note 15 – Schedules of Functional Expenses (continued)

The following schedule presents the natural classification of the summarized costs in the consolidated statement of activities and changes in net assets for 2021.

	For the Year Ended December 31, 2021			
	Program	General Administrative, Investment Fees and Services	Development and Donor Services	Total
Grants	\$ 11,224,402	\$ -	\$ -	\$ 11,224,402
Other expenses				
Salaries and wages	941,350	367,638	244,407	1,553,395
Seminars and events	130,339	-	-	130,339
Consulting services	225,341	48,766	73,350	347,457
Professional Services	855,705	12,453	18,680	886,838
Legal Services	13,784	4,326	6,489	24,599
In-Kind	3,352	-	-	3,352
Technology	82,516	23,644	37,625	143,785
Other employee benefits	116,204	45,970	30,056	192,230
Travel	23,165	3,129	4,694	30,988
Payroll taxes	75,602	28,228	20,016	123,846
Depreciation	89,718	2,047	3,071	94,836
Property expenses	103,974	5,318	-	109,292
Cost of goods sold	505,576	-	-	505,576
Supplies	24,172	2,395	3,590	30,157
Equipment rental and maintenance	165,771	9,668	14,502	189,941
Printing and publications	18,312	1,795	2,693	22,800
401(k) plan contributions	22,026	13,770	6,394	42,190
Insurance	20,432	2,650	3,974	27,056
Dues & subscriptions	10,525	2,285	3,427	16,237
Accounting fees	15,392	6,157	9,235	30,784
Bank charges and fees	11,459	3,375	5,062	19,896
Special Events	-	-	20,268	20,268
Occupancy	8,490	3,374	5,072	16,936
Workshop expenses	127,959	-	-	127,959
Public relations	13,801	2,123	3,185	19,109
Postage and shipping	4,424	1,345	2,018	7,787
Pinon Awards	22,396	-	-	22,396
Professional development	540	216	324	1,080
Donor development	-	-	3,828	3,828
Miscellaneous	321	-	-	321
Conferences/conventions	2,948	1,181	1,770	5,899
Subtotal other expenses	3,635,594	591,853	523,730	4,751,177
Total expenses	\$ 14,859,996	\$ 591,853	\$ 523,730	\$ 15,975,579