RANDLE & ASSOCIATES, LLC
Certified Public Accountants

DEACONESS FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

www.randlecpa.com

Contents

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Deaconess Foundation
St. Louis, Missouri

Opinion

We have audited the accompanying consolidated financial statements of Deaconess Foundation and Deaconess Center for Child Well-Being which comprise the consolidated statement of financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities, cash flows and functional expenses, for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Deaconess Foundation and Deaconess Center for Child Well-Being as of December 31, 2022 and 2021, and the changes in their net assets and their 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 audit in accordance with auditing standards generally accepted in the United States of America. 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 Deaconess Foundation and Deaconess Center for Child Well-Being and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Deaconess Foundation and Deaconess Center for Child Well-Being'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 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 generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 Deaconess Foundation and Deaconess Center for Child Well-Being'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 Deaconess Foundation and Deaconess Center for Child Well-Being '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 purposes of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statements on pages 27 through 32, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Deaconess Foundation has not implemented Accounting Standards Codification (ASC) Topic 842, Leases, for related party leases contracted between the consolidated entities. The lack of implementation of ASC 842 for leases between the consolidated entities does not affect the consolidated financial statements as a whole. This information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated 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 consolidated financial statements as a whole.

Randle & Associates, LLC, CPAs

Florissant, Missouri
May 9, 2023

DEACONESS FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

	December 31, 2022	December 31, 2021
Assets		
Cash, cash equivalents and restricted cash	**$ 1,039,749**	$ 1,226,217
Accounts receivable	**33,334**	27,183
Grants receivable	**84,114**	256,338
Notes and interest receivable	**402,005**	602,005
New Markets Tax Credit notes receivable	**3,964,200**	3,964,200
Investments	**49,090,998**	60,548,401
Other investment	**900,000**	900,000
Beneficial interest in trust	**733,824**	—
Beneficial interest in perpetual trusts	**983,081**	1,261,310
Managed physician retirement funds	**162,181**	792,507
Land	**454,153**	454,153
Property and equipment, net	**6,803,889**	7,046,285
Other assets	**75,660**	109,112
Total Assets	**$ 64,727,188**	$ 77,187,711

Liabilities And Net Assets

	December 31, 2022	December 31, 2021
Liabilities		
Accounts payable and accrued expenses	**$ 234,142**	$ 93,837
Grants payable	**482,936**	144,903
Agency funds held for others	**250,000**	—
Deferred revenue	—	3,498
New Markets Tax Credit notes payable	**5,735,806**	5,697,268
Note payable	**6,675,000**	6,675,000
Managed physician retirement liability	**162,181**	792,507
Total Liabilities	**13,540,065**	13,407,013
Net Assets		
Without donor restrictions	**33,782,276**	43,596,969
With donor restrictions	**17,404,847**	20,183,729
Total Net Assets	**51,187,123**	63,780,698
Total Liabilities And Net Assets	**$ 64,727,188**	$ 77,187,711

DEACONESS FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES

	For The Year Ended December 31, 2022			For The Year Ended December 31, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support, Revenues, And Gains						
Donations	$ 1,240,179	$ 1,116,333	$ 2,356,512	$ 237,443	$ 77,005	$ 314,448
Facility shared services	65,701	—	65,701	69,686	—	69,686
Investment income (loss), net of expenses	(6,604,306)	(2,715,204)	(9,319,510)	6,181,362	2,432,583	8,613,945
Change in value of beneficial interest in perpetual trusts	—	(278,229)	(278,229)	—	142,730	142,730
Net assets released from restrictions	901,782	(901,782)	—	1,017,059	(1,017,059)	—
Total Support, Revenues, And Gains	(4,396,644)	(2,778,882)	(7,175,526)	7,505,550	1,635,259	9,140,809
Expenses						
Philanthropic and Advocacy Services:						
Community Investments	431,038	—	431,038	426,491	—	426,491
Equitable Investments	1,892,344	—	1,892,344	1,509,158	—	1,509,158
Leadership / Capacity Building	98,837	—	98,837	274,288	—	274,288
Deaconess Center for Child Well-Being	736,626	—	736,626	684,438	—	684,438
Advocacy and Civic Engagement	269,344	—	269,344	4,338	—	4,338
Administrative Supports	701,680	—	701,680	506,574	—	506,574
Total Philanthropic and Advocacy Services	4,129,869	—	4,129,869	3,405,287	—	3,405,287
Supporting Services:						
Management and general operational expenses	1,288,180	—	1,288,180	1,174,568	—	1,174,568
Total Supporting Services	1,288,180	—	1,288,180	1,174,568	—	1,174,568
Total Expenses	5,418,049	—	5,418,049	4,579,855	—	4,579,855
Change In Net Assets	(9,814,693)	(2,778,882)	(12,593,575)	2,925,695	1,635,259	4,560,954
Net Assets - Beginning Of Year	43,596,969	20,183,729	63,780,698	40,671,274	14,923,904	55,595,178
Net Assets - End Of Year	$ 33,782,276	$ 17,404,847	$ 51,187,123	$ 43,596,969	$ 20,183,729	$ 63,780,698

DEACONESS FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

	For The Years Ended December 31, 2022	2021
Cash Flows From Operating Activities		
Change in net assets	**$ (12,593,575)**	$ 4,560,954
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	**304,780**	299,438
Amortization of debt issuance costs	**38,538**	38,538
Change in value of beneficial interest in perpetual trusts	**278,229**	(142,730)
Contribution of beneficial interest in trust	**(733,824)**	—
Net realized and unrealized gains on investments	**10,028,589**	(7,454,492)
Changes in assets and liabilities:		
Accounts receivable	**(6,151)**	(17,323)
Grants receivable	**172,224**	472,147
Other assets	**33,452**	6,414
Accounts payable and accrued expenses	**140,305**	(10,502)
Deferred revenue	**(3,498)**	—
Grants payable	**338,033**	(258,197)
Net Cash Flows Used In Operating Activities	**(2,002,898)**	(2,505,753)
Cash Flows From Investing Activities		
Purchases of investments	**(14,766,074)**	(18,963,824)
Proceeds from sales of investments	**16,444,888**	20,503,207
Payments received on notes receivable	**200,000**	400,028
Change in unitrust receivables	**—**	303,360
Purchases of property and equipment	**(62,384)**	(16,332)
Net Cash Flows Provided By Investing Activities	**1,816,430**	2,226,439
Net Change In Cash, Cash Equivalents And Restricted Cash	**(186,468)**	(279,314)
Cash, Cash Equivalents And Restricted Cash - Beginning Of Year	**1,226,217**	1,505,531
Cash, Cash Equivalents And Restricted Cash - End Of Year	**$ 1,039,749**	$ 1,226,217
Supplemental Cash Flow Information		
Amounts paid for:		
Interest	**$ 321,820**	$ 321,820

DEACONESS FOUNDATION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2022

	Philanthropic and Advocacy Services							Supporting Services	
	Community Investments	Equitable Investments	Leadership / Capacity Building	Deaconess Center for Child Well-Being	Advocacy and Civic Engagement	Administrative Supports	Total Initiatives	Management and General Operations Expenses	Total
Expenses									
Initiatives:									
Anchor Institutions Grants	$ 327,019	$ —	$ —	$ —	$ —	$ —	$ 327,019	$ —	$ 327,019
Responsive Grants	—	846,500	—	—	—	—	846,500	—	846,500
Ecosystem Leadership Grants	63,336	—	—	—	—	—	63,336	—	63,336
Church Related Grants	4,250	—	—	—	—	—	4,250	—	4,250
Nursing Scholarship Program	—	200,000	—	—	—	—	200,000	—	200,000
Miscellaneous Grants	—	109,319	—	—	—	—	109,319	—	109,319
Racial Healing Fund	—	210,573	—	—	—	—	210,573	—	210,573
Senior Services Fund	—	407,547	—	—	—	—	407,547	—	407,547
Non-Grant Support	—	—	84,773	—	—	—	84,773	—	84,773
Community Development	—	—	14,064	—	—	—	14,064	—	14,064
CDF Freedom Schools	—	—	—	—	209,249	—	209,249	—	209,249
Policy Development and Advocacy	—	—	—	—	60,095	—	60,095	—	60,095
Evaluation	7,500	—	—	—	—	—	7,500	—	7,500
Philanthropic Infrastructure Support	28,933	—	—	—	—	—	28,933	—	28,933
Total	**431,038**	**1,773,939**	**98,837**	**—**	**269,344**	**—**	**2,573,158**	**—**	**2,573,158**
Personnel	—	—	—	—	—	439,265	439,265	709,098	1,148,363
Facility Management	—	—	—	245,462	—	—	245,462	—	245,462
Facility Operations	—	—	—	85,105	—	—	85,105	—	85,105
Professional Services	—	118,405	—	30,628	—	107,478	256,511	107,477	363,988
Public Relations	—	—	—	—	—	63,523	63,523	63,522	127,045
Office Operations	—	—	—	—	—	60,858	60,858	60,857	121,715
Travel and Meetings	—	—	—	—	—	18,168	18,168	18,168	36,336
Governance	—	—	—	—	—	2,743	2,743	2,742	5,485
Insurance	—	—	—	26,314	—	5,470	31,784	5,470	37,254
Memberships	—	—	—	—	—	4,175	4,175	4,175	8,350
Interest Expense	—	—	—	103,185	—	—	103,185	257,173	360,358
Annuity Payments	—	—	—	—	—	—	—	650	650
Depreciation	—	—	—	245,932	—	—	245,932	58,848	304,780
Total Functional Expenses	$ 431,038	$ 1,892,344	$ 98,837	$ 736,626	$ 269,344	$ 701,680	$ 4,129,869	$ 1,288,180	$ 5,418,049

DEACONESS FOUNDATION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2021

	Philanthropic & Advocacy Services							Supporting Services	
	Community Investments	**Equitable Investments**	**Leadership / Capacity Building**	**Deaconess Center for Child Well-Being**	**Advocacy & Civic Engagement**	**Administrative Supports**	**Total Initiatives**	**Management and General Operations Expenses**	**Total**
Expenses									
Initiatives:									
Anchor Institutions Grants	$ 296,379	$ —	$ —	$ —	$ —	$ —	$ 296,379	$ —	$ 296,379
Responsive Grants	—	622,658	—	—	—	—	622,658	—	622,658
Ecosystem Leadership Grants	111,950	—	—	—	—	—	111,950	—	111,950
Public Policy Campaign / Collaborative Grants	—	41,250	—	—	—	—	41,250	—	41,250
Nursing Scholarship Grants	—	200,000	—	—	—	—	200,000	—	200,000
Church-Related Grants	1,935	—	—	—	—	—	1,935	—	1,935
Just Recovery Grants	—	153,261	—	—	—	—	153,261	—	153,261
Racial Healing Fund	—	485,989	—	—	—	—	485,989	—	485,989
Philanthropic Infrastructure	16,227	—	—	—	—	—	16,227	—	16,227
Misc. Grants	—	6,000	—	—	—	—	6,000	—	6,000
Non-Grant Support	—	—	73,947	—	—	—	73,947	—	73,947
Community Development	—	—	200,341	—	—	—	200,341	—	200,341
CDF Freedom Schools	—	—	—	—	—	—	—	—	—
Policy Development and Advocacy	—	—	—	—	4,338	—	4,338	—	4,338
Total	**426,491**	**1,509,158**	**274,288**	**—**	**4,338**	**—**	**2,214,275**	**—**	**2,214,275**
Personnel	—	—	—	—	—	322,471	322,471	306,931	629,402
Facility Management	—	—	—	211,747	—	—	211,747	—	211,747
Facility Operations	—	—	—	77,273	—	—	77,273	—	77,273
Professional Services	—	—	—	28,940	—	71,473	100,413	80,700	181,113
Rent	—	—	—	—	—	2,000	2,000	2,000	4,000
Public Relations	—	—	—	—	—	54,650	54,650	54,649	109,299
Office Operations	—	—	—	—	—	42,267	42,267	42,266	84,533
Travel and Meetings	—	—	—	—	—	4,924	4,924	4,923	9,847
Insurance	—	—	—	22,180	—	8,094	30,274	8,094	38,368
Memberships	—	—	—	—	—	695	695	695	1,390
Interest Expense	—	—	—	103,185	—	—	103,185	257,173	360,358
Annuity Payments	—	—	—	—	—	—	—	650	650
Unitrust Payments	—	—	—	—	—	—	—	3,174	3,174
Executive Transition	—	—	—	—	—	—	—	354,988	354,988
Depreciation	—	—	—	241,113	—	—	241,113	58,325	299,438
Total Functional Expenses	$ 426,491	$ 1,509,158	$ 274,288	$ 684,438	$ 4,338	$ 506,574	$ 3,405,287	$ 1,174,568	$ 4,579,855

1. Summary Of Significant Accounting Policies

Organization

Deaconess Foundation was established for the purpose of supporting the health care and health education ministry of the Missouri Mid-South Conference and Illinois South Conference of the United Church of Christ. Its mission is: "In the spirit of our faith heritage, the mission of Deaconess Foundation is the improved health of the metropolitan St. Louis community and its people." Deaconess Foundation's Board of Trustees is composed of fifteen church and community representatives.

In 2017, Deaconess Foundation established a single purpose not-for-profit entity, Deaconess Center For Child Well-Being (the "Center"), to facilitate New Markets Tax Credit (NMTC) transactions. As a community action tank, the Center's sole purpose is to provide financial and operational support of the Foundation's offices and community convening space to further its mission to build power to advance child well-being in the St. Louis region.

Basis Of Presentation

The consolidated financial statements consist of the accounts of Deaconess Foundation and the Center (collectively, the "Foundation"). Significant intercompany accounts and transactions have been eliminated in consolidation.

The consolidated financial statements of the Foundation have been prepared on the accrual basis and in accordance with U.S. generally accepted accounting principles ("US GAAP"), the Foundation reports information regarding its financial positon and activities according to the follow net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and Board of Trustees ("Board"). From time to time, the Board designates a portion of net asset for specified purposes which make them unavailable for use at management's discretion. In 2019, the Board designated $150,000 for the Racial Healing Fund, and in 2022 and 2021, $16,672 and $43,739 respectively, of this amount was used and has a $70,342 balance to be used in subsequent years. In 2020, the Board designated $150,000 for Youth Advocate Programs, Inc. and $300,000 for COVID-19 Emergency Funding. $150,000 was used in 2021 and 2020 for COVID Emergency Funding. In 2021, the Board voted to undesignate $150,000 for Youth Advocate Programs, Inc. In 2022, the Board designated $1,000,000 for the Racial Equity Infrastructure Fund, and in 2022, $102,905 of this amount was used leaving a balance of $897,095 to be used in subsequent years.

Net assets with donor restrictions - Net assets that are subject to donor and grantor-imposed restrictions. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions will never lapse, thus requiring that the funds be retained permanently.

Cash, Cash Equivalents And Restricted Cash

For purposes of the consolidated statement of cash flows, the Foundation considers all highly liquid investments purchased with a maturity date of three months or less to be cash equivalents. At December 31, 2022 and 2021, the Foundation had credit risk arising from cash deposits in excess of federally insured limits of $250,000. The Foundation has not incurred any loss resulting from these excess cash balances during the periods under audit.

The Center's NMTC funds of $55,667 and $87,667 at December 31, 2022 and 2021, respectively, are held under the control of the investor bank to the NMTC financing transaction (as described in Note 13) and are restricted for use toward construction of the office building and convening space.

Fair Value Of Financial Instruments

The fair values of financial instruments including cash and cash equivalents, accounts receivable, other assets, and accounts payable and accrued expenses approximate carrying value due to the short-term nature of these accounts.

The Foundation has determined the fair value of certain assets on a recurring basis through application of ASC 820, as disclosed in Note 9 to the consolidated financial statements.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 - Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include listed equity and debt securities publicly traded on a stock exchange.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Level 2 methods are also used in measuring the initial fair value of long-term pledges.

Level 3 - Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

There were no triggering events that required fair value measurements of the Foundation's nonfinancial assets and liabilities at December 31, 2022 and 2021.

Revenue Recognition

Unconditional contributions are recognized when the donor makes a promise to give to the Foundation. Contributions restricted by the donor are reported as increases in net assets without donor restrictions, if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Accounts Receivable

Accounts receivable of $33,334 and $27,183 at December 31, 2022 and 2021, respectively, are considered by the Foundation's management to be fully collectible and accordingly, elects not to establish an allowance account.

Property And Equipment

Property and equipment is valued at historical or estimated cost, less accumulated depreciation. Donated assets are recorded at fair market value when received. Depreciation is computed using the straight-line method. Property and equipment is depreciated over estimated useful lives ranging from 5 to 39 years. Expenditures for maintenance and repairs are charged to operations as incurred and expenditures for improvements and major rehabilitations that extend the useful life of an asset are capitalized.

Investments

The Foundation's purchased investments are initially recorded at cost. Thereafter, they are carried at fair value. Contributed securities are stated at their fair value on the date of receipt using a Level 1, 2 or 3 fair value approach depending on the type of contributed security. It is the policy of the Foundation to sell all contributed securities as soon as they are received. Gains and losses on sales of investments are generally determined on a specific cost identification basis. The Foundation is provided with estimates regarding fair value measures for these investments by its investment managers, who have derived these values from available information from actively traded markets. This information has been used by the Foundation in preparing the consolidated financial statements. Investment income, net of expenses is reported in the consolidated statement of activities and consists of interest and dividend income, realized and unrealized gains, less investment management and custodial fees.

Debt Issuance Costs

The Center incurred costs associated with its NMTC transactions (Note 13) of $256,988 in 2017. This amount is included as an offset to New Markets Tax Credit notes payable on the accompanying consolidated statement of financial position. This amount will be amortized to interest expense by the straight line method over the life of the related notes payable.

Income Taxes

The Foundation and the Center qualify as not-for-profit religious organizations under Internal Revenue Code Section 501(c)(3) and as a non-private foundation under Section 509(a)(3) of the Code and, therefore, are exempt from federal, state, and local income taxes on related, exempt income.

The Foundation follows the provisions of ASC 740-10-25 requiring disclosure of uncertain tax positions. There has been no interest or penalties recognized in the consolidated statement of activities or in the consolidated statement of financial position related to uncertain tax positions. In addition, no tax positions exist for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within the next 12 months. The Foundation evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures and discussions with outside experts.

Functional Expense Allocation

The costs of providing the various programs of the Foundation have been summarized on a functional basis in the consolidated statement of activities. The following expenses have been charged to program services and general and administrative expenses on the basis of time and expense studies: personnel, professional services, rent, public relations, office operations, travel and meetings, governance, insurance, and memberships. The Foundation's other expenses are charged directly as program services and general and administrative expenses based on the nature of the expense.

Subsequent Events

Management evaluates subsequent events through the date the consolidated financial statements are available for issuance, which is the date of the independent auditors' report.

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 certain reported amounts and disclosures. Actual results could differ from these estimates.

2. Notes And Interest Receivable

Notes and interest receivable is comprised of the following at December 31:

	2022	2021
Loans to community development financial institutions, interest at 3% payable quarterly	$ **400,000**	$ 600,000
Interest receivable	**2,005**	2,005
Total notes and interest receivable	$ **402,005**	$ 602,005

At December 31, 2022 and 2021, the Foundation considers notes receivable to be fully collectible; accordingly, an allowance is not required. If amounts become uncollectible, they will be charged to operations when that determination is made.

3. Investments

Investments are carried at fair value and consist of the following at December 31:

	2022	2021
Common stocks	**$ 32,596,936**	$ 41,388,427
Fixed income	**8,979,449**	9,257,371
Limited partnerships	**712,788**	1,063,768
Hedge funds	**2,786,992**	4,149,261
Commodities	**713,632**	1,033,970
Cash and cash equivalents	**3,301,201**	3,655,604
Total investments at market value	**49,090,998**	60,548,401
Total investments at cost	**50,184,382**	50,624,279
Cumulative unrealized gain (loss) on investments	**$ (1,093,384)**	$ 9,924,122

4. Other Investment

Other investment consists of a 2.3% equity interest in a closely held corporation and is carried at estimated fair market value at December 31, 2022 and 2021.

5. Investment Income (Loss)

Investment income (loss) is comprised of the following for the years ended December 31:

	2022	2021
Interest, dividend, and distribution income	**$ 894,221**	$ 1,329,850
Net realized gains on sales of investments	**988,917**	4,429,766
Unrealized gain (loss) on investments	**(11,017,506)**	3,024,726
Investment expense	**(185,142)**	(196,530)
Total investment income (loss), net of expenses	**$ (9,319,510)**	$ 8,587,812

Investment income (loss) consists of interest income, dividend income, distribution income, investment expense, realized gains, and unrealized gains (losses) and is allocated among the various funds of the Foundation. Allocation is based on the relative value of each fund in relation to the total value of all funds.

6. Beneficial Interest In Trust

In 2022, the Foundation was notified that it is a beneficiary of a trust. Upon the death of the annuitant of the trust, the Foundation will receive 20% of 50% of the remaining balance of the trust. The trust was recorded at an estimated fair value of $733,824 at December 31, 2022 and was included in net assets with donor restrictions.

7. Beneficial Interest In Perpetual Trusts

Beneficial interest in perpetual trusts consists of unconditional promises to give from perpetual trusts created by independent donors, which are not in the possession or control of the Foundation but are held and administered by independent bank trustees. The Foundation, along with other specified not-for-profit organizations, is the beneficiary of these trusts. The Foundation only derives income from these trusts, which is included in donations on the consolidated statement of activities. The principal of each trust is not available to the Foundation. The Foundation has recorded promises to give equal to the Foundation's estimated share of the current fair value of the trusts. For the years ended December 31, 2022 and 2021, the Foundation's share of the change in fair value of the trusts was ($278,229) and $142,730, respectively.

8. Endowment

The Foundation's endowment consists of two individual donor-restricted funds established for a variety of purposes. In accordance with FASB ASC 958-205-45, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Endowment balances are included in investments in the consolidated statement of financial position.

The Board of Trustees of the Foundation has interpreted the State of Missouri enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as unspendable net assets with donor restrictions (a) the original value of the gifts donated to the unspendable endowment, and (b) the original value of subsequent gifts to the unspendable endowment. The remaining portion of the donor-restricted endowment that is not classified in unspendable net assets with donor restrictions is classified as spendable net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund,
(2) The purposes of the Foundation and the donor-restricted endowment fund,
(3) General economic conditions,
(4) The possible effect of inflation and deflation,
(5) The expected total return from income and the appreciation of investments,
(6) Other resources of the Foundation, and
(7) The investment policies of the Foundation.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The Foundation's spending policies include annual cash distributions of a minimum of 5% of the average annual market value of assets to be used for program expenses in alignment with the Foundation's strategic direction and an annual cash distribution target of 2.0% of the annual market value of assets to be used for general operations of the Foundation. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity. Under this policy, the endowment assets are invested in a manner that is intended to produce results while assuming a moderate level of investment risk.

To satisfy its long-term rate-of-return objectives, the Foundation has outsourced the management and investment of its portfolio to an Outsourced Chief Investment Officer, defined as an independent third party that provides full discretionary investment management services, while adhering to a defined Trust Fiduciary Standard. The Foundation relies on a total return strategy in which investment returns are achieved both through capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve a rate of return greater than inflation as represented by the Consumer Price Index plus 5%.

The Foundation has a policy for distribution of spendable assets for program related expenses each year based on the average annual market value of assets over the prior 28 quarters through the calendar year preceding the year in which the program expenses are incurred. In establishing this policy, the Foundation considered the long-term expected rate of return on its endowment assets. The Foundation does not spend from underwater endowments.

The changes in endowment assets for the year ended December 31, 2022 are as follows:

		With Donor Restrictions		
	Without Donor Restrictions	**Spendable**	**Unspendable**	**Total**
Endowment assets, January 1, 2022	$ —	$ 49,254	$ 594,967	$ 644,221
Net depreciation	—	(13,705)	—	(13,705)
Endowment assets, December 31, 2022	$ —	$ 35,549	$ 594,967	$ 630,516

The changes in endowment assets for the year ended December 31, 2021 are as follows:

		With Donor Restrictions		
	Without Donor Restrictions	**Spendable**	**Unspendable**	**Total**
Endowment assets, January 1, 2021	$ —	$ 37,324	$ 594,967	$ 632,291
Net appreciation	—	11,930	—	11,930
Endowment assets, December 31, 2021	$ —	$ 49,254	$ 594,967	$ 644,221

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the amount which the donor originally contributed to the Foundation to retain as a fund of perpetual duration. There were no underwater endowment funds at December 31, 2022 or 2021.

9. Fair Value Measurements

Fair value of assets measured on a recurring basis at December 31, 2022 and 2021 is as follows:

December 31, 2022	Fair Value	Active Market Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Common Stocks:				
Financial Services	$ 4,993,080	$ 4,993,080	$ —	$ —
Consumer	4,336,616	4,336,616	—	—
Technology	6,520,355	6,520,355	—	—
Health Care	3,827,545	3,827,545	—	—
Energy	1,396,213	1,396,213	—	—
Communications	1,770,022	1,770,022	—	—
Materials	1,308,747	1,308,747	—	—
Industrial	3,443,379	3,443,379	—	—
Other	5,000,979	5,000,979	—	—
Total Common Stocks	32,596,936	32,596,936	—	—
Fixed Income	8,979,449	—	8,979,449	—
Commodities	713,632	713,632	—	—
Cash and Cash Equivalents	3,301,201	3,301,201	—	—
Beneficial Interest in Perpetual Trusts	983,081	—	—	983,081
Beneficial Interest in Trusts	733,824	—	—	733,824
Other Investment	900,000	—	900,000	—
Total at Fair Value	48,208,123	$ 36,611,769	$ 9,879,449	$ 1,716,905
Investments reported at NAV	3,499,780			
Total	$ 51,707,903			

December 31, 2021	**Fair Value**	**Active Market Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Unobservable Inputs (Level 3)**
Common Stocks:				
Financial Services	$ 5,882,535	$ 5,882,535	$ —	$ —
Consumer	5,458,363	5,458,363	—	—
Technology	9,265,236	9,265,236	—	—
Health Care	4,410,022	4,410,022	—	—
Energy	1,098,832	1,098,832	—	—
Communications	2,488,635	2,488,635	—	—
Materials	1,765,339	1,765,339	—	—
Industrial	4,521,100	4,521,100	—	—
Other	6,498,365	6,498,365	—	—
Total Common Stocks	41,388,427	41,388,427	—	—
Fixed Income	9,257,371	—	9,257,371	—
Commodities	1,033,970	1,033,970	—	—
Cash and Cash Equivalents	3,655,604	3,655,604	—	—
Beneficial Interest in Perpetual Trusts	1,261,310	—	—	1,261,310
Other Investment	900,000	—	900,000	—
Total at Fair Value	57,496,682	$ 46,078,001	$10,157,371	$ 1,261,310
Investments reported at NAV	5,213,029			
Total	$ 62,709,711			

Fair value for investments valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Fair value for investments valued using Level 2 inputs are based primarily on available quoted prices for similar assets in active or inactive markets. Investments in the Level 2 category include fixed income bonds and fixed income commodity future contracts. The fair values of these Level 2 investments are based on a market approach with prices obtained from third-party pricing services. Observable inputs used to value these investments can include, but are not limited to, reported trades, benchmark yields, issuer spreads and nonbinding broker quotes.

The values of the underlying assets within the Foundation's beneficial interests in trusts are determined by the benefactors' investment managers, who have derived these values from available information in actively traded markets. However, the Foundation does not have access to any existing markets in which its beneficial interest could be bought or sold. As a result, management has classified its interests in beneficial trusts as Level 3 (subject to unobservable inputs) for purposes of fair value disclosure requirements. Fair value for Level 3 investments is determined using inputs which are unobservable and significant to the fair value measurements. The fair value of Level 3 investments increased $721,771 and $142,730 in 2022 and 2021, respectively, due to the change in value in both years. During 2022 and 2021, there were no changes in the methods and/or assumptions utilized to derive the fair value of the Foundation's assets.

The Foundation uses the Net Asset Value (NAV) to determine the fair value of all the underlying investments, which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

Per ASU 2009-12, the following table lists investments in other investment companies (limited partnerships) by major category:

	Strategy	NAV Of Funds 2022	NAV Of Funds 2021	Number Of Funds	Remaining Life	Amount Of Unfunded Commitments
Private Equity	Venture and buyout in U.S. and International	$ 712,788	$ 1,039,770	5	1 to 6 years	$ 1,398,378
Real Assets	Real estate and natural resources, primarily in U.S.	—	23,998	—	Less than 1 year	—
Total		$ 712,788	$ 1,063,768	5		$ 1,398,378

Private equity funds have no ability to be redeemed. Certain funds in the private real assets category have lock-up provisions ranging from six quarters to up to five years. Hedge funds have redemption terms ranging between quarterly redemption with 60 days' notice to semi-annual redemption with 30 days' notice. Certain hedge funds have lock-up provisions of one year.

10. Liquidity And Availability Of Resources

Financial assets available for grants and operating expenses within one year of the consolidated statement of financial position date comprise the following at December 31:

	2022	2021
Cash and cash equivalents	**$ 984,082**	$ 1,138,550
Accounts receivable	**33,334**	27,183
Investments made available for current use	**3,583,645**	3,953,186
	$ 4,601,061	$ 5,118,919

As described in Note 8, the Foundation's annual spend rate for 2022 and 2021 is 7.75% of the average annual market value of Endowment assets over the prior 28 quarters through the calendar year preceding the year budgeted. A spendable amount of at least $3,583,645 and $3,953,186 will be made available in 2023 and 2022, respectively, for grantmaking and administrative expenses.

The Foundation manages its investments so that assets are available as needed for payment of awarded grants, general expenditures, liabilities, and other obligations as they become due.

11. Managed Physician Retirement Liability

In conjunction with the 1997 sale of assets of Deaconess Incarnate Word Health System, the funds held under certain physician retirement agreements were transferred to the Foundation. The funds remaining relate to physician retirement agreements Deaconess Central Hospital held with three of its employees under Section 457 of the Internal Revenue Code. These agreements are funded with annuity policies from various insurers having an aggregate market value of $162,181 and $792,507 at December 31, 2022 and 2021, respectively. These amounts are shown in the consolidated statement of financial position as both an asset and a liability of the Foundation.

12. Property And Equipment

Property and equipment consists of the following at December 31:

	2022	2021
Property and equipment	**$ 8,324,906**	$ 8,262,522
Less: accumulated depreciation	**(1,521,017)**	(1,216,237)
	$ 6,803,889	$ 7,046,285

Depreciation expense for the years ended December 31, 2022 and 2021 was $304,780 and $299,438, respectively.

13. New Markets Tax Credit Financing

During the year ended December 31, 2017, the Foundation entered into several debt transactions to access funds through the New Markets Tax Credit (NMTC) Program. As part of these transactions, the Foundation created a new entity, Deaconess Center For Child Well-Being. These funds were used to construct the Foundation's new office and community convening space on Vandeventer Avenue. The NMTC Program permits taxpayers to claim federal tax credits for making Qualified Equity Investments (QEI) in designated Community Development Entities (CDEs). These CDEs must use substantially all of the proceeds (87%) to make Qualified Low-Income Community Investments (QLICIs). The investor is provided with a tax credit, which is claimed over a seven-year period. The Foundation partnered with an investor, Capital One, N.A., to utilize the NMTC Program.

Capital One, N.A. established a special purpose entity, COCRF Investor 98, LLC, to raise capital for the transaction. COCRF, LLC was funded with $2,035,800 from Capital One, N.A. and a $3,964,200 loan from the Foundation.

The $3,964,000 loan from the Foundation requires interest-only payments at 1% until August 2024. In September 2024, COCFR Investor 98, LLC will make a $43,222 principal and interest payment to the Foundation. Thereafter, the payments will consist of quarterly installments of $48,288 of principal plus accrued interest at 1% through June 2047.

The capital raised by COCRF Investor 98, LLC was used to make a $1,000,000 QEI in the CDE, COCRF SubCDE, LLC and a $5,000,000 QEI in the CDE, St. Louis New Markets Tax Credit Fund, LLC. These proceeds were used by the CDEs to make loans in the aggregate of $5,800,000 to the Center. These loans bear interest at 1.1146% and require interest-only payments through August 2024, at which time payments increase to fully amortize the note over 23 years, with final maturity in June 2047. The Center is using the loan proceeds to fund the construction of the Foundation's offices and community convening space. This capital asset serves as collateral to the financing arrangement. The loans are classified as New Markets Tax Credit notes payable on the accompanying consolidated statement of financial position, net of debt issuance costs.

Interest incurred related to the NMTC financing for the year ended December 31, 2017 of $21,725 has been capitalized as property and equipment in the accompanying consolidated statement of financial position, as such amount was incurred during the construction phase of the Foundation's office and community convening space.

Notes receivable and notes payable related to the NMTC financing reflected on the consolidated statement of financial position as of December 31 are as follows:

	2022	2021
Notes Receivable:		
Deaconess Foundation Loan	**$ 3,964,200**	$ 3,964,200
Notes Payable:		
QLICI Loan A1	**$ 660,700**	$ 660,700
QLICI Loan A2	**339,300**	339,300
QLICI Loan B1	**3,303,500**	3,303,500
QLICI Loan B2	**1,496,500**	1,496,500
Less: Debt Issuance Costs	**(64,194)**	(102,732)
	$ 5,735,806	$ 5,697,268

The seven-year compliance period for the NMTC financing will end in August 2024, at which time Capital One, N.A. may exit the transaction through the exercise of a call/put agreement which it has entered into with the Foundation. Under the agreement, Capital One, N.A. may "put" its interest in COCRF Investor 98, LLC to the Foundation for a purchase price of $1,000. In the event that Capital One, N.A. has not exercised this put option, the Foundation has 180 days to exercise its call option to purchase Capital One, N.A.'s entire interest in COCRF Investor 98, LLC for a purchase price equal to the appraised value of Capital One, N.A.'s interest. To exercise the call option, the Foundation must be current on all payments under the four notes payable. The Foundation will realize its savings from the NMTC transactions through the exercise of this put or call option, at which time it will control COCRF Investor 98, LLC and can effectively forgive the remaining QLICI loans. No amounts have been recorded in the accompanying consolidated financial statements related to these put and call options.

14. Note Payable

In conjunction with the NMTC financing described in Note 13, the Foundation entered into a $6,675,000 note payable agreement with a bank. Interest is payable quarterly at a fixed rate of 3.8% through August 25, 2024, at which time the entire balance of principal and interest is due. The note is secured by the Foundation's investment assets. The Foundation's obligation under this note payable contains certain covenants. The Foundation was in compliance with all covenants at December 31, 2022.

Interest expense related to the note payable for the years ended December 31, 2022 and 2021 was $257,173 each year and is included in general and administrative expenses in the accompanying consolidated statement of activities.

15. Net Assets With Donor Restrictions

Net assets with donor restrictions for the following purposes at December 31 consist of the following:

	2022	2021
With Donor Restrictions - Spendable		
Ballman Family Trust	$ **8,530,041**	$ 10,624,897
Scholarships	**5,318,239**	6,542,747
Racial Healing	**1,002,151**	1,072,970
Black Funders of St. Louis Giving Circle	—	32,916
Redeemer Scholarship	**35,549**	49,254
Childrens Defense Fund Freedom School	—	4,667
Beneficial Interest in Trust	**733,824**	—
Child Rehabilitation Center	**46,994**	—
Lead Black Initiative	**160,000**	—
	15,826,798	18,327,451
With Donor Restrictions - Unspendable		
Community Programs	**1,578,049**	1,856,278
	$ **17,404,847**	$ 20,183,729

16. Retirement Plan

The Foundation maintains a 403(b) retirement plan, which covers all eligible employees. The Foundation contributes an amount equal to 5% of eligible employee salaries, which totaled $43,905 and $23,336 during the years ended December 31, 2022 and 2021, respectively.

17. Grants

The Foundation disburses grants to selected organizations. The Foundation has unconditional grant commitments of $482,936 and $144,903 that are recorded in the consolidated financial statements at December 31, 2022 and 2021, respectively.

18. Agreement With Eden Theological Seminary

During the year ended December 31, 2007, the Foundation executed a Funding Agreement (the "Agreement") with Eden Theological Seminary ("Eden") to provide for the long-term organizational and financial stability of Eden as a center of theological study and learning. In accordance with the Agreement, the Foundation's Board of Trustees designated $15,000,000 of the Foundation's net assets without donor restrictions, plus a pro rata share of the Foundation's investment earnings each year, to fulfill the terms of the Agreement. The commitment was payable to Eden over a five-year period ending 2011. The Agreement provided the Foundation with certain termination rights and required certain best practices to be followed by Eden. As stipulated by the Agreement, the Foundation also retained an interest in the real property on which Eden is located (Eden Property).

In November 2009, the Agreement was terminated and a new agreement was executed (the "New Agreement"). In accordance with the New Agreement, the Foundation contributed $14,380,419 to Eden as the Foundation's final funding commitment. As stipulated in the New Agreement, $14,380,419 was to be used to establish a permanent endowment at Eden, redeem certain bond liabilities, and provide interim funding of Eden's operations. The amount was paid in full to Eden during the year ended December 31, 2010.

The New Agreement contains certain termination provisions, investment criteria provisions related to the establishment of a permanent endowment and the Foundation continues to retain an interest in the Eden Property.

19. Risks And Uncertainties

The Foundation's investments are exposed to various risks, such as interest rate, market, and credit risks. Due to current economic conditions, it is at least reasonably possible changes in the value of the Foundation's investments will occur in the near term and those changes could materially affect the amounts reported in the Foundation's consolidated financial statements.

DEACONESS FOUNDATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
For The Year Ended December 31, 2022

	Deaconess Foundation	Deaconess Center For Child Well-Being	Eliminations	Total
Assets				
Cash and cash equivalents	$ 236,386	$ 803,363	$ —	$ 1,039,749
Accounts receivable	81,674	127,790	(176,130)	33,334
Grants receivable	84,114	—	—	84,114
Notes and interest receivable	402,005	—	—	402,005
New Markets Tax Credit notes receivable	3,964,200	—	—	3,964,200
Deaconess Center for Child Well-Being note receivable	1,250,000	—	(1,250,000)	—
Investments	49,090,998	—	—	49,090,998
Other investment	900,000	—	—	900,000
Beneficial interest in trust	733,824	—	—	733,824
Beneficial interest in perpetual trusts	983,081	—	—	983,081
Managed physician retirement funds	162,181	—	—	162,181
Land	—	454,153	—	454,153
Property and equipment, net	299,875	6,504,014	—	6,803,889
Other assets	75,660	—	—	75,660
Total Assets	$ 58,263,998	$ 7,889,320	$ (1,426,130)	$ 64,727,188
Liabilities				
Accounts payable and accrued expenses	$ 305,746	$ 104,526	$ (176,130)	$ 234,142
Deferred revenue	—	—	—	—
Grants payable	482,936	—	—	482,936
Agency Funds Held for Others	250,000	—	—	250,000
New Markets Tax Credit notes payable	—	5,735,806	—	5,735,806
Note payable	6,675,000	1,250,000	(1,250,000)	6,675,000
Managed physician retirement liability	162,181	—	—	162,181
Total Liabilities	7,875,863	7,090,332	(1,426,130)	13,540,065
Net Assets				
Without donor restrictions	32,983,288	798,988	—	33,782,276
With donor restrictions	17,404,847	—	—	17,404,847
Total Net Assets	50,388,135	798,988	—	51,187,123
Total Liabilities And Net Assets	$ 58,263,998	$ 7,889,320	$ (1,426,130)	$ 64,727,188

DEACONESS FOUNDATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
For The Year Ended December 31, 2021

	Deaconess Foundation	Deaconess Center For Child Well-Being	Eliminations	Total
Assets				
Cash and cash equivalents	$ 395,840	$ 830,377	$ —	$ 1,226,217
Accounts receivable	76,050	122,712	(171,579)	27,183
Grants receivable	256,338	—	—	256,338
Notes and interest receivable	602,005	—	—	602,005
New Market Tax Credit notes receivable	3,964,200	—	—	3,964,200
Deaconess Center for Child Well-Being note receivable	1,250,000	—	(1,250,000)	—
Investments	60,548,401	—	—	60,548,401
Other investment	900,000	—	—	900,000
Beneficial interest in perpetual trusts	1,261,310	—	—	1,261,310
Managed physician retirement funds	792,507	—	—	792,507
Land	—	454,153	—	454,153
Property and equipment, net	341,535	6,704,750	—	7,046,285
Other assets	109,112	—	—	109,112
Total Assets	$ 70,497,298	$ 8,111,992	$ (1,421,579)	$ 77,187,711
Liabilities				
Accounts payable and accrued expenses	$ 201,020	$ 64,396	$ (171,579)	$ 93,837
Deferred revenue	—	3,498	—	3,498
Grants payable	144,903	—	—	144,903
New Market Tax Credit notes payable	—	5,697,268	—	5,697,268
Note payable	6,675,000	1,250,000	(1,250,000)	6,675,000
Managed physician retirement liability	792,507	—	—	792,507
Total Liabilities	7,813,430	7,015,162	(1,421,579)	13,407,013
Net Assets				
Without donor restrictions	42,500,139	1,096,830	—	43,596,969
With donor restrictions	20,183,729	—	—	20,183,729
Total Net Assets	62,683,868	1,096,830	—	63,780,698
Total Liabilities And Net Assets	$ 70,497,298	$ 8,111,992	$ (1,421,579)	$ 77,187,711

DEACONESS FOUNDATION

CONSOLIDATING STATEMENT OF ACTIVITIES
For The Year Ending December 31, 2022

	Deaconess Foundation	Deaconess Center For Child Well-Being	Eliminations	Total
Support, Revenues, And Gains				
Donations	$ 2,354,012	$ 2,500	$ —	$ 2,356,512
Lease income	—	334,281	(334,281)	—
Facility shared services	—	182,504	(116,803)	65,701
Investment loss, net of expenses	(9,307,010)	—	(12,500)	(9,319,510)
Change in value of beneficial interest in perpetual trusts	(278,229)	—	—	(278,229)
Other program fees	68,000	—	(68,000)	—
Total Support, Revenues, And Gains	(7,163,227)	519,285	(531,584)	(7,175,526)
Expenses				
Philanthropic and Advocacy Services:				
Community Investments	431,038	—	—	431,038
Equitable Investments	1,892,344	—	—	1,892,344
Leadership / Capacity Building	98,837	—	—	98,837
Deaconess Center for Child Well-Being	451,085	718,499	(463,584)	706,000
Advocacy and Civic Engagement	269,344	—	—	269,344
Administrative Supports	701,678	—	—	701,678
Total Philanthropic and Advocacy Services	3,844,326	718,499	(463,584)	4,099,241
Supporting Services:				
Management and general operations expenses	1,288,180	98,628	(68,000)	1,318,808
Total Supporting Services	1,288,180	98,628	(68,000)	1,318,808
Total Expenses	5,132,506	817,127	(531,584)	5,418,049
Change In Net Assets	(12,295,733)	(297,842)	—	(12,593,575)
Net Assets - Beginning Of Year	62,683,868	1,096,830	—	63,780,698
Net Assets - End Of Year	$ 50,388,135	$ 798,988	$ —	$ 51,187,123

DEACONESS FOUNDATION

CONSOLIDATING STATEMENT OF ACTIVITIES
For The Year Ending December 31, 2021

	Deaconess Foundation	Deaconess Center For Child Well-Being	Eliminations	Total
Support, Revenues, And Gains				
Donations	$ 314,423	$ 25	$ —	$ 314,448
Lease income	—	327,726	(327,726)	—
Facility shared services	—	182,504	(112,818)	69,686
Investment income (loss), net of expenses	8,626,445	—	(12,500)	8,613,945
Change in value of beneficial interest in perpetual trusts	142,730	—	—	142,730
Other program fees	68,000	—	(68,000)	—
Total Support, Revenues, and Gains	9,151,598	510,255	(521,044)	9,140,809
Expenses				
Philanthropic and Advocacy Services:				
Community Investments	426,491	—	—	426,491
Equitable Investments	1,509,158	—	—	1,509,158
Leadership / Capacity Building	274,288	—	—	274,288
Deaconess Center for Child Well-Being	655,498	667,999	(304,174)	1,019,323
Advocacy and Civic Engagement	4,338	—	—	4,338
Administrative Supports	506,574	—	—	506,574
Total Philanthropic and Advocacy Services	3,376,347	667,999	(304,174)	3,740,172
Supporting Services:				
General and administrative expenses	959,613	96,940	(216,870)	839,683
Total Supporting Services	959,613	96,940	(216,870)	839,683
Total Expenses	4,335,960	764,939	(521,044)	4,579,855
Change In Net Assets	4,815,638	(254,684)	—	4,560,954
Net Assets - Beginning Of Year	57,868,230	1,351,514	—	59,219,744
Net Assets - End Of Year	$ 62,683,868	$ 1,096,830	$ —	$ 63,780,698

DEACONESS FOUNDATION

CONSOLIDATING STATEMENT OF EXPENSES
For The Year Ending December 31, 2022

	Deaconess Foundation	Deaconess Center For Child Well-Being	Eliminations	Total
Expenses				
Grant Awards:				
Anchor Institutions Grants	$ 327,019	$ —	$ —	$ 327,019
Responsive Grants	846,500	—	—	846,500
Ecosystem Leadership Grants	63,336	—	—	63,336
Church Related Grants	4,250	—	—	4,250
Convening Space	116,803	—	(116,803)	—
Nursing Scholarship Program	200,000	—	—	200,000
Miscellaneous Grants	109,319	—	—	109,319
Racial Healing Fund	210,573	—	—	210,573
Senior Services Fund	407,547	—	—	407,547
Non-Grant Support	84,773	—	—	84,773
Community Development	14,064	—	—	14,064
CDF Freedom Schools	209,249	—	—	209,249
Policy Development and Advocacy	60,095	—	—	60,095
Vision for Children at Risk	28,008	—	(28,008)	—
Unleashing Potential	47,412	—	(47,412)	—
Evaluation	7,500	—	—	7,500
Philanthropic Infrastructure Support	28,933	—	—	28,933
Total Grant Awards	2,765,381	—	(192,223)	2,573,158
2,573,158				
Personnel	1,148,363	—	—	1,148,363
Facility Management	—	245,463	—	245,463
Facility Operations	—	85,106	—	85,106
Professional Services	333,360	98,628	(68,000)	363,988
Rent	224,185	—	(224,185)	—
Deaconess Center Shared Services	34,676	—	(34,676)	—
Public Relations	127,045	—	—	127,045
Office Operations	121,715	—	—	121,715
Travel and Meetings	36,336	—	—	36,336
Governance	5,485	—	—	5,485
Insurance	10,939	26,314	—	37,253
Memberships	8,350	—	—	8,350
Interest Expense	257,173	115,684	(12,500)	360,357
Annuity Payments	650	—	—	650
Depreciation	58,848	245,932	—	304,780
Total Expenses	$ 5,132,506	$ 817,127	$ (531,584)	$ 5,418,049

DEACONESS FOUNDATION

CONSOLIDATING STATEMENT OF EXPENSES
For The Year Ending December 31, 2021

	Deaconess Foundation	Deaconess Center For Child Well-Being	Eliminations	Total
Expenses				
Grant Awards:				
Anchor Institutions Grants	$ 296,379	$ —	$ —	$ 296,379
Responsive Grants	622,658	—	—	622,658
Ecosystem Leadership Grants	111,950	—	—	111,950
Church Related Grants	1,935	—	—	1,935
Policy Campaigns/Collaborative Grants	41,250	—	—	41,250
Just Recovery Cohort	153,261	—	—	153,261
Community Engagement	200,341	—	—	200,341
Convening Space	121,157	—	(121,157)	—
Nursing Scholarship Program	200,000	—	—	200,000
Miscellaneous Grants	6,000	—	—	6,000
Racial Healing Fund	485,989	—	—	485,989
Non-Grant Support	73,947	—	—	73,947
Policy Development and Advocacy	4,338	—	—	4,338
Vision for Children at Risk	28,008	—	(28,008)	—
Unleashing Potential	47,412	—	(47,412)	—
Philanthropic Infrastructure Support	16,227	—	—	16,227
Total Grant Awards	2,410,852	—	(196,577)	2,214,275
Personnel	629,402	—	—	629,402
Facility Management	—	211,747	—	211,747
Facility Operations	—	77,273	—	77,273
Professional Services	152,173	96,940	(68,000)	181,113
Rent	213,276	—	(209,276)	4,000
Deaconess Center Shared Services	34,691	—	(34,691)	—
Public Relations	109,299	—	—	109,299
Office Operations	84,533	—	—	84,533
Travel and Meetings	9,847	—	—	9,847
Insurance	16,187	22,181	—	38,368
Memberships	1,390	—	—	1,390
Interest Expense	257,173	115,685	(12,500)	360,358
Annuity Payments	650	—	—	650
Unitrust Payments	3,174	—	—	3,174
Executive Transition	354,988	—	—	354,988
Depreciation	58,325	241,113	—	299,438
Total Expenses	$ 4,335,960	$ 764,939	$ (521,044)	$ 4,579,855