OKIZU FOUNDATION

Audited Financial Statements

December 31, 2023 and 2022

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RICHARDSON & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Okizu Foundation
Novato, California

Opinion

We have audited the accompanying financial statements of the Okizu Foundation (the Foundation), which comprise the statement of financial position as of December 31, 2023 and 2022 and the related statements of activities, functional expenses, and cash flows 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 Okizu Foundation as of December 31, 2023 and 2022, 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 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 the Foundation 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 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 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 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 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.

Richardson & Company, LLP

August 12, 2024

OKIZU FOUNDATION

STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

	2023	2022
ASSETS		
Cash and cash equivalents	$ 2,746,247	$ 4,135,287
Unconditional promises to give	539,957	591,204
Interest receivable	139,820	73,352
Prepaid expenses	183,272	69,967
Inventory		2,251
Investments	16,241,018	12,799,112
Property and equipment, net	1,119,590	1,139,455
Operating right-of-use asset, net	84,987	119,471
Security deposit	3,609	3,609
TOTAL ASSETS	$ 21,058,500	$ 18,933,708
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 83,118	$ 11,546
Accrued payroll	22,486	15,443
Accrued vacation	28,441	37,552
Lease liability	70,315	102,629
TOTAL LIABILITIES	204,360	167,170
NET ASSETS		
Without donor restrictions:		
Designated - fire recovery	13,224,523	12,364,876
Designated - Preservation fund	3,986,552	2,999,648
Undesignated	2,466,306	2,284,208
With donor restrictions	1,176,759	1,117,806
TOTAL NET ASSETS	20,854,140	18,766,538
TOTAL LIABILITIES AND NET ASSETS	$ 21,058,500	$ 18,933,708

The accompanying notes are an integral part of these financial statements.

OKIZU FOUNDATION

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Purpose Restrictions	Total
Revenue and Support			
Contributions and grants	$ 1,076,150	$ 790,543	$ 1,866,693
Contributed services	477,906		477,906
Interest and investment income, net	807,403	1,456	808,859
Other income	1,121		1,121
Special event revenue	1,749,610		1,749,610
Less: cost of direct benefits to donors	(498,284)		(498,284)
Net special event revenue	1,251,326		1,251,326
Net assets released from restrictions	733,046	(733,046)	-
Total Revenue and Support	4,346,952	58,953	4,405,905
Expenses			
Program Services	1,539,647		1,539,647
Supporting Services:			
Management and general	200,772		200,772
Fundraising	577,884		577,884
Total Expenses	2,318,303	-	2,318,303
Change in net assets	2,028,649	58,953	2,087,602
Net assets at beginning of the year	17,648,732	1,117,806	18,766,538
Net assets at end of year	$ 19,677,381	$ 1,176,759	$ 20,854,140

The accompanying notes are an integral part of these financial statements.

OKIZU FOUNDATION

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

	Restated Without Donor Restrictions	With Donor Purpose Restrictions	Restated Total
Revenue and Support			
Contributions and grants	$ 777,030	$ 691,773	$ 1,468,803
Contributed services	262,159		262,159
Interest and investment income, net	(259,126)	2,646	(256,480)
Other income	18,437		18,437
Special event revenue	1,778,499		1,778,499
Less: cost of direct benefits to donors	(533,062)		(533,062)
Net special event revenue	1,245,437	-	1,245,437
Net assets released from restrictions	664,481	(664,481)	-
Total Revenue and Support	2,708,418	29,938	2,738,356
Expenses			
Program Services	1,188,533		1,188,533
Supporting Services:			
Management and general	88,733		88,733
Fundraising	448,340		448,340
Total Expenses	1,725,606	-	1,725,606
Other Changes			
Gain on insurance recovery, net	84,787		84,787
Impairment loss	(888,861)		(888,861)
Total Other Changes	(804,074)	-	(804,074)
Change in net assets	178,738	29,938	208,676
Net assets at beginning of the year	17,469,994	1,087,868	18,557,862
Net assets at end of year	$ 17,648,732	$ 1,117,806	$ 18,766,538

The accompanying notes are an integral part of these financial statements.

OKIZU FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2023

	Programs	Administrative	Fundraising	Total
Salaries and benefits	$ 447,950	$ 119,211	$ 360,849	$ 928,010
Occupancy	370,729	11,942	14,695	397,366
Professional services	488,365	20,634	110,305	619,304
Office Expense	15,011	3,443	24,502	42,956
Utilities	9,255	1,923	5,753	16,931
Supplies	11,414	8,049	10,638	30,101
Recruitment and retention	43,096	704	778	44,578
Travel	5,417	59	3,119	8,595
Insurance	74,694	2,784	34,938	112,416
Postage	623	2,582	6,549	9,754
Repairs and maintenance	31,923	1,476	3,487	36,886
Depreciations and amortization		25,763		25,763
Program expenses	24,368			24,368
Miscellaneous	16,802	2,202	2,271	21,275
Total Functional Expenses	$ 1,539,647	$ 200,772	$ 577,884	$ 2,318,303

The accompanying notes are an integral part of these financial statements.

OKIZU FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2022

	Programs	Administrative	Fundraising	Total
Salaries and benefits	$ 506,687	$ 47,799	$ 309,611	$ 864,097
Occupancy	27,771	1,704	14,328	43,803
Professional services	65,987	6,580	47,803	120,370
Office Expense	32,190	12,743	825	45,758
Utilities	11,448	870	6,320	18,638
Supplies	21,483	505	2,284	24,272
Recruitment and retention	21,332			21,332
Fundraising			31,061	31,061
Insurance	40,632	4,004	29,450	74,086
Postage	4,606	258	2,887	7,751
Repairs and maintenance	5,205	519	3,771	9,495
Depreciation and amortization	22,091			22,091
Program expenses	429,101			429,101
Miscellaneous		13,751		13,751
Total Functional Expenses	$ 1,188,533	$ 88,733	$ 448,340	$ 1,725,606

The accompanying notes are an integral part of these financial statements.

OKIZU FOUNDATION

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 2,087,602	$ 208,676
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	25,763	22,091
Net realized and unrealized (gains) losses on investments	(233,687)	463,450
Impairment loss		888,861
Changes in certain operating assets and liabilities:		
Unconditional promises to give	51,247	(46,007)
Interest receivable	(66,468)	(73,352)
Prepaid expenses	(113,305)	(49,751)
Inventory	2,251	1,361
Operating right-of-use asset	34,484	32,901
Accounts payable	71,572	4,517
Accrued payroll	7,043	3,944
Accrued vacation	(9,111)	29,327
Lease liability	(32,314)	(41,781)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,825,077	1,444,237
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(5,898)	(35,741)
Purchases of investments	(11,661,297)	(6,581,312)
Maturity of investments	8,448,000	3,921,000
Sales of investments	5,078	54,999
NET CASH USED BY INVESTING ACTIVITIES	(3,214,117)	(2,641,054)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,389,040)	(1,196,817)
Cash and cash equivalents at beginning of year	4,135,287	5,332,104
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 2,746,247	$ 4,135,287
SUPPLEMENTAL DISCLOSURES OF NONCASH ACTIVITIES:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	$ 35,754	$ 46,803

The accompanying notes are an integral part of these financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: Okizu Foundation (the Foundation) is a nonprofit corporation. It is the mission of the Foundation to provide recreational, respite and peer support programs to meet the needs of all members of families affected by childhood cancer.

The diagnosis of a chronic or life-threatening illness in a family threatens the very nature of the family structure. Children need positive nurturing and support in order to grow and lead fulfilling, productive lives. The family's normal emotional and social environment is greatly disrupted by a diagnosis of childhood cancer. Many children become dysfunctional because of the emotional and physical stress of treatment, and other family members have little support to cope with the stresses they are facing.

The Foundation has established long-term relationships with many of the pediatric oncology units in Northern California including Sutter Medical Center in Sacramento, UCSF Benioff Children's Hospitals in Oakland and San Francisco, Kaiser Permanente Hospitals in Oakland, Roseville and San Francisco, John Muir Medical Center, California Pacific Medical Center in San Francisco and Lucile Salter Packard Children's Hospital at Stanford, which provide assistance to the Foundation so it can carry out its mission.

The purpose of the Foundation is to operate peer support programs for all family members, including families whose child has passed away. There is never a charge for participation in the Foundation's programs because of the emotional, financial and physical burdens placed on the families by this disease.

The Foundation purchased the former Berry Creek Ranch in Butte County, California in 1998. The property had been substantially renovated to house Camp Okizu, a permanent site for summer camps hosting children and families affected by childhood cancer. In early September of 2020, Camp Okizu was destroyed in a wildfire (Bear Fire). The Foundation's management and the Board of Directors are currently in the process of looking for a new physical location while utilizing rented facilities to continue providing a camping experience. See further discussion in Note H.

Basis of Presentation: Financial statement presentation follows the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958-205, *Financial Statements of Not-for-Profit Entities – Presentation of Financial Statements*. Under (ASC) 958-205, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The Foundation uses the accrual basis of accounting.

Use of Estimates: Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents: For purposes of the statements of cash flows, the Foundation considers cash and certificates of deposits with a maturity of three months or less at the time of purchase to be cash equivalents.

Promises to Give: Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value, net of estimated uncollectible amounts. The Foundation evaluates the amounts expected to be realized on a regular basis. Any changes in the amounts expected to be realized on a regular basis. Any changes in the amounts expected to be received are recorded as increases or

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

decreases in contributions. Unconditional pledges receivable, expected to be collected later than one year, are reported at fair value, which is determined using the discounted present value of estimated future cash flows. The resulting discount is amortized ratably and is reported as contributions revenue. Promises to give outstanding as of December 31, 2023 and 2022 were due in the following year.

The Foundation determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. The Foundation's management believes that all promises to give are collectible and accordingly, no allowance for uncollectible pledges has been provided.

Investments: The Foundation carries investments at fair value in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external investment expenses.

Inventory: Inventory is stated at the lower of cost or market where cost is determined using the first-in, first-out method. Inventory consists primarily of logo merchandise held for resale.

Property and Equipment: Property and equipment is stated at cost, or if donated, fair market value at the time of the donation. Provision is made for depreciation by the straight-line method over the estimated useful life of the property (generally five to thirty-nine years). Expenditures for maintenance and repairs are charged to expense as incurred. Additions, major renewals and replacements that increase the property's useful life are capitalized. The Foundation generally capitalizes property and equipment with an original cost in excess of $4,000.

The Foundation has reviewed the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. Considering the fire damage to the camp property, the Foundation evaluated the property for impairment and recorded an impairment loss of $888,861 during the year ended December 31, 2022. The fair value was determined based on prices for similar assets.

Leases: The Foundation determines if an arrangement is or contains a lease inception. Leases are included in right-of-use (ROU) assets and liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Foundation does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options or extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option.

Accrued Vacation Payable: It is the Foundation's policy to accumulate a limited amount of earned but unused vacation time, which will be paid to employees upon taking vacations or upon separation.

Net Assets: Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for various purposes. (See Note F)

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

<u>Revenue and Revenue Recognition</u>: The Foundation recognizes contributions when cash, securities or other assets or an unconditional promise to give are received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Revenue from donated auction items is recognized when sold and sales proceeds are included in special events revenue. Unrestricted donations of securities that are sold nearly immediately are treated as cash contributions and included in cash from operations on the Statements of Cash Flows.

<u>Donated Services and In-Kind Contributions</u>: Contributed nonfinancial assets include donated professional services and other in-kind contributions which are recorded at the respective fair values of the goods or services received. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

<u>Functional and Supporting Expenses</u>: The Foundation allocates its expenses on a functional basis among its various programs and supporting services and reports these allocations on the statements of functional expenses. Expenses that can be identified with a specific program are allocated directly to that function. Expenses that cannot be directly identified with a specific function are allocated among the program services and supporting activities based on allocation methods and estimates made by the Foundation's management and approved by the Board of Directors.

<u>Income Taxes</u>: The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as a public charity. The Foundation's federal and state exempt organization tax returns are generally subject to examination by the IRS and California Franchise Tax Board for three and four years, respectively, after they were filed.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Foundation is subject to federal income tax on any unrelated business taxable income. The Foundation has designated all current and future insurance recovery proceeds to rebuild or replace camp property destroyed in a wildfire and will evaluate potential tax liability on unrelated business income upon completion. The Foundation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. The Foundation's management believes the financial statements do not include any uncertain tax positions.

Subsequent Events: The Foundation evaluated all events or transactions that occurred after December 31, 2023 and up to August 12, 2024, the date the financial statements were issued. During this period, the Foundation did not have any recognizable or nonrecognizable subsequent events.

NOTE B – INVESTMENTS

Investments at fair value consist of the following at December 31:

	2023	2022
Stock mutual funds	$ 4,764,125	$ 1,056,979
Corporate bonds and notes	2,127,394	3,844,077
Foreign bonds	473,697	
U.S. Treasury bonds	3,888,029	3,722,460
U.S. Government Agency bonds	380,935	
Negotiable certificates of deposit	4,606,838	4,175,596
	$ 16,241,018	$ 12,799,112

Fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. Assets and liabilities are reported in three levels in the fair value hierarchy: using quoted prices in active markets for identical assets and liabilities (Level 1), using significant other observable inputs (Level 2) and using significant unobservable inputs (Level 3).

The Foundation's investment in mutual funds are classified within Level 1 because they comprise open-end mutual funds with readily determinable fair values based on daily redemption values. The negotiable certificates of deposit, U.S. government bonds, corporate bonds and foreign corporation bonds are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions, and are classified within Level 2.

NOTE C – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2023	2022
Buildings and improvements	$ 181,257	$ 167,687
Land and improvements	836,257	836,257
Equipment and furniture	205,469	213,141
	1,222,983	1,217,085
Less accumulated depreciation	(103,393)	(77,630)
Property and equipment, net	$ 1,119,590	$ 1,139,455

A wildfire destroyed almost all of the tangible assets of the Foundation located at Camp Okizu at Berry Creek in early September 2020. Camp Okizu assets that were not damaged or partially damaged were not used in operations during 2023 and 2022, and were written down to fair value as of December 31, 2022. Depreciation expense for the years ended December 31, 2023 and 2022 was $25,763 and $22,091, respectively.

NOTE D – LEASES

The Foundation evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Foundation's right to use underlying assets for the lease term, and the lease liability represent the Foundation's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms and discounted using the Foundation's estimated incremental borrowing rate. The weighted-average discount rate applied to calculate lease liability as of December 31, 2023 was 4%. As of December 31, 2023, the weighted-average remaining lease term for the Foundation's operating leases was approximately 2.25 years.

The Foundation leases office space in Novato, California under an operating lease that has been renewed through April 2026. Monthly rent is adjusted annually at approximately 4.2%. The right-of-use asset is recorded net of accumulated amortization of $98,676 and $64,193 at December 31, 2023 and 2022, respectively.

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of December 31, 2023:

December 31,	
2024	$ 30,840
2025	32,124
2026	10,852
Total lease payments	73,816
Less interest	(3,501)
Present value of lease liability	$ 70,315

NOTE E – NET ASSETS WITHOUT DONOR RESTRICTIONS - DESIGNATED

The following net assets without donor restriction have been designated by the Board of Directors for investments in property, equipment, fire recovery and operating reserve for the years ended December 31:

	2023	2022
Designated - fire recovery	$ 13,224,523	$ 12,364,876
Designated - Preservation Fund	3,986,552	2,999,648
Total net assets without donor restrictions - designated	$ 17,211,075	$ 15,364,524

The Preservation Fund's purpose is to provide a reserve to support the operations of the Foundation and to use as approved by the Board of Directors to support operations and specific projects. The fire recovery fund is designated for the rebuilding or replacement of the camp property lost in the fire.

NOTE F – NET ASSETS WITH DONOR RESTRICTIONS

Components of net assets with donor restrictions consist of the following at December 31:

	2023	2022
Subject to the passage of time:		
Uncollected pledges that are unavailable for expenditure	$ 539,957	$ 591,204
Subject to the expenditure for specific purpose:		
Camp rebuilding	307,036	307,036
Danville Children's Guild	168,000	
Renaming rights	90,000	90,000
Camp maintenance	51,512	50,056
Camp rental		40,774
Beyond program	20,254	38,736
	$ 1,176,759	$ 1,117,806

NOTE F – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	2023	2022
Expiration of time restrictions:		
Pledges collected	$ 591,204	$ 497,226
Satisfaction of purpose restrictions:		
Van purchase		29,594
Beyond program	18,482	11,264
Camp Arroyo campership	82,586	41,971
Camp rebuilding		44,426
Camp rental	40,774	40,000
	$ 733,046	$ 664,481

NOTE G – DONATED MATERIALS AND SERVICES

The value of donated materials and services included in the financial statements for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
Medical services	$ 324,800	$ 180,600
Legal services	81,796	27,522
Materials	9,076	
Special event services	62,234	54,037
	$ 477,906	$ 262,159

During the years ended December 31, 2023 and 2022, the donated medical services used at the camp site for program activities are included in program services on the statement of functional expenses. They are recognized at fair value based on current rates for similar services. Contributed legal services are provided by attorneys who advise us on various administrative legal matters. Contributed legal services are used for management and general activities, a portion of which are allocated to program services, and are recognized at fair value based on current rates for similar legal services. Special event services are recorded as costs of direct benefit to the donor on the statement of activities and are valued by the vendor. The donations were not restricted by the donor.

NOTE H – CASUALTY LOSS AND INSURANCE RECOVERY

In early September 2020, Camp Okizu was destroyed by wildfire. All buildings, structures and vehicles that were inspected and confirmed by insurance inspectors as lost were written off.

A total of $10,704,193 of insurance recovery proceeds was received. All insurance proceeds received are designated by the Board of Directors for rebuilding or replacement of the camp property lost in the fire.

On September 23,2023, the Foundation entered into an agreement to purchase property in Valley Springs for the new camp site at a purchase price of $4,050,000 plus $75,000 paid to the seller to perform the work needed to obtain certification of the well. The escrow closing has been extended to September 30, 2024.

The Foundation was approached by a consultant regarding a possible claim against the Federal government for how they handled the firefighting. The consultant is doing research and studies for a potential claim. The consultant has incurred charges totaling $97,591 as of the date of this report, but the Foundation has an agreement with the consultant that these charges are payable only if there is a payout on any potential claim. The Foundation engaged with an attorney with experience in the type of claim that the Foundation might potentially have against the State of California but this attorney will not take on the case unless litigation funding has been secured. No claim has been filed as of current date.

NOTE I – FINANCIAL INSTRUMENTS AND CREDIT RISK

The Foundation manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Foundation to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to $250,000. At December 31, 2023 and 2022, the Foundation had uninsured bank balances of $1,268,481 and $1,176,039, respectively.

Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, individuals and foundations supportive of the Foundation's mission. Investments are made by diversified investment managers whose performance is monitored by the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Foundation believes that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

NOTE J – AVAILABILITY AND LIQUIDITY

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

	2023	2022
Financial assets at year end:		
Cash and cash equivalents	$ 2,746,247	$ 4,135,287
Unconditional promises to give	539,957	591,204
Interest receivable	139,820	73,352
Investments	16,241,018	12,799,112
Total financial assets	19,667,042	17,598,955
Less amounts not available to be used within one year:		
Board designated - fire recovery	13,224,523	12,364,876
Board designated - Preservation Fund	3,986,552	2,999,648
Net assets with donor purpose restrictions	1,176,759	1,117,807
Financial assets available to meet program expenditures over the next year	$ 1,279,208	$ 1,116,624

Donor-restricted funds are not available for general expenditure and are deducted to determine the amount of financial assets available over the next year for program expenditure. The Foundation invests cash in excess of short-term operating requirements in certificates of deposit, corporate bonds, U.S. Treasury bonds and money market funds as part of its liquidity management plan. The Board of Directors designated a portion of the operating surplus to its Preservation Fund and all insurance recoveries received for rebuilding or replacement of the camp property lost in the fire.

NOTE K – COMMITMENTS AND CONTINGENCIES

The Foundation has entered into a lease agreement for facilities to host summer camp events in 2024. The Foundation owes $53,560 under this agreement as of December 31, 2023, which is payable in installments through April 1, 2024.

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