COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2025 AND 2024

CPAs / ADVISORS

blue

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

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CPAs / ADVISORS

blue

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of the
Community Foundation Alliance, Inc.
Evansville, Indiana

Opinion

We have audited the accompanying consolidated financial statements of the Community Foundation Alliance, Inc. and Affiliates (collectively the "Organization"), nonprofit organizations, which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Organization'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 consolidated financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 Consolidating Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2025 consolidating information on pages 26 and 27 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual organizations and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits 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 or to 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 consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Blue & Co., LLC

Seymour, Indiana

December 4, 2025

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

ASSETS

	2025	2024
Cash and cash equivalents	$ 16,617,991	$ 11,076,923
Investments	161,944,326	145,851,457
Beneficial interest in charitable trust	-0-	2,200,000
Other assets	1,055,894	846,986
Property and equipment, net	92,859	78,219
Beneficial interest in perpetual trust	424,405	392,879
Total assets	$ 180,135,475	$ 160,446,464

LIABILITIES AND NET ASSETS

	2025	2024
Liabilities		
Accounts payable and accrued expenses	$ 24,205	$ 85,753
Grants payable	806,397	803,212
Charitable gift annuities payable	73,057	85,305
Custodial funds	6,823,753	6,300,323
Other liabilities	319,548	375,275
Total liabilities	8,046,960	7,649,868
Net assets		
Without donor restrictions		
Operating	3,189,374	2,842,426
Operating reserve	160,344	69,123
Board designated endowment	2,107,144	1,787,345
	5,456,862	4,698,894
With donor restrictions		
Restricted due to time restrictions	600,489	2,762,293
Restricted for specified purpose	13,606,679	9,499,005
Endowment funds	152,424,485	135,836,404
	166,631,653	148,097,702
Total net assets	172,088,515	152,796,596
Total liabilities and net assets	$ 180,135,475	$ 160,446,464

See accompanying notes to consolidated financial statements.

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATED STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	2025			
	Without Donor Restrictions	With Donor Restrictions	Total	2024
Support and revenues				
Contributions	$ 25,889	$ 3,100,264	$ 3,126,153	$ 4,923,059
Grant revenue	120,500	12,336,350	12,456,850	10,323,627
Administrative fee income	2,184,260	-0-	2,184,260	1,902,106
Investment return, net	602,643	15,115,491	15,718,134	17,107,016
Change in value of split interest agreements	-0-	50,761	50,761	420,717
Other income	24,168	17,084	41,252	23,079
Net assets released from restrictions	12,085,999	(12,085,999)	-0-	-0-
Total support and revenues	15,043,459	18,533,951	33,577,410	34,699,604
Expenses				
Programs	12,627,607	-0-	12,627,607	10,074,815
Management and general	890,513	-0-	890,513	716,431
Fundraising	767,371	-0-	767,371	634,571
Total expenses	14,285,491	-0-	14,285,491	11,425,817
Change in net assets	757,968	18,533,951	19,291,919	23,273,787
Net assets, beginning of year	4,698,894	148,097,702	152,796,596	129,522,809
Net assets, end of year	$ 5,456,862	$ 166,631,653	$ 172,088,515	$ 152,796,596

See accompanying notes to consolidated financial statements.

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions	$ 30,811	$ 4,892,248	$ 4,923,059
Grant revenue	79,000	10,244,627	10,323,627
Administrative fee income	1,902,106	-0-	1,902,106
Investment return, net	473,930	16,633,086	17,107,016
Change in value of split interest agreements	-0-	420,717	420,717
Other income	22,235	844	23,079
Net assets released from restrictions	9,277,544	(9,277,544)	-0-
Total support and revenues	11,785,626	22,913,978	34,699,604
Expenses			
Programs	10,074,815	-0-	10,074,815
Management and general	716,431	-0-	716,431
Fundraising	634,571	-0-	634,571
Total expenses	11,425,817	-0-	11,425,817
Change in net assets	359,809	22,913,978	23,273,787
Net assets, beginning of year	4,339,085	125,183,724	129,522,809
Net assets, end of year	$ 4,698,894	$ 148,097,702	$ 152,796,596

See accompanying notes to consolidated financial statements.

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	2025				2024
	Programs	Management & General	Fundraising	Total	Total
Grants	$ 9,648,673	$ -0-	$ -0-	$ 9,648,673	$ 7,471,401
Salaries and wages	611,875	373,680	466,559	1,452,114	1,229,944
Employee benefits and payroll taxes	123,825	75,623	94,419	293,867	247,562
Administrative fees	2,101,056	-0-	-0-	2,101,056	1,825,420
Printing and postage	-0-	24,192	-0-	24,192	24,106
Professional fees	5,250	187,906	71,630	264,786	177,180
Donor development	-0-	-0-	36,880	36,880	27,438
Software	30,065	71,482	-0-	101,547	87,027
Depreciation	11,574	7,068	8,825	27,467	25,205
Occupancy	48,222	30,317	36,770	115,309	116,394
Office supplies	-0-	12,235	-0-	12,235	9,734
Dues and subscriptions	-0-	12,500	-0-	12,500	13,772
Travel, entertainment and sponsorships	17,949	11,079	50,858	79,886	59,968
Professional development	29,118	5,139	-0-	34,257	34,795
Meetings	-0-	59,382	-0-	59,382	57,354
Miscellaneous	-0-	19,910	1,430	21,340	18,517
	$ 12,627,607	$ 890,513	$ 767,371	$ 14,285,491	$ 11,425,817

See accompanying notes to consolidated financial statements.

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Programs	Management & General	Fundraising	Total
Grants	$ 7,471,401	$ -0-	$ -0-	$ 7,471,401
Salaries and wages	512,574	330,786	386,584	1,229,944
Employee benefits and payroll taxes	103,171	66,580	77,811	247,562
Administrative fees	1,825,420	-0-	-0-	1,825,420
Printing and postage	-0-	24,106	-0-	24,106
Professional fees	40,995	86,840	49,345	177,180
Donor development	-0-	-0-	27,438	27,438
Software	25,673	61,354	-0-	87,027
Depreciation	10,504	6,779	7,922	25,205
Occupancy	46,892	34,136	35,366	116,394
Office supplies	-0-	9,734	-0-	9,734
Dues and subscriptions	-0-	13,772	-0-	13,772
Travel, entertainment and sponsorships	12,193	7,869	39,906	59,968
Professional development	20,975	3,702	10,118	34,795
Meetings	-0-	57,354	-0-	57,354
Miscellaneous	5,017	13,419	81	18,517
	$ 10,074,815	$ 716,431	$ 634,571	$ 11,425,817

See accompanying notes to consolidated financial statements.

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Operating activities		
Change in net assets	$ 19,291,919	$ 23,273,787
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	27,467	25,206
Loss on disposal of property	5,567	-0-
Reinvested interest and dividends received on investments	(4,932,249)	(4,068,709)
Realized and unrealized gains on investments	(11,805,790)	(14,061,337)
Change in value of split interest agreements	(50,761)	(420,717)
Contributions restricted to endowment funds	(2,782,837)	(3,158,703)
Change in operating assets and liabilities:		
Other assets	(208,908)	(63,999)
Accounts payable and accrued expenses	(61,548)	59,310
Grants payable	3,185	(72,399)
Custodial funds	523,430	268,572
Other liabilites	(55,727)	(54,012)
Net cash flows from operating activities	(46,252)	1,726,999
Investing activities		
Purchases of property and equipment	(47,674)	(8,249)
Purchases of investments	(26,867,720)	(21,058,832)
Proceeds on sales of investments	27,512,890	24,234,902
Net cash flows from investing activities	597,496	3,167,821
Financing activities		
Proceeds received on charitable trusts	2,200,000	-0-
Payments received on beneficial interest in perpetual trust	20,000	18,000
Payments made on charitable gift annuities	(13,013)	(13,012)
Contributions restricted to endowment funds	2,782,837	3,158,703
Net cash flows from financing activities	4,989,824	3,163,691
Net change in cash and cash equivalents	5,541,068	8,058,511
Cash and cash equivalents, beginning of year	11,076,923	3,018,412
Cash and cash equivalents, end of year	$ 16,617,991	$ 11,076,923

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Community Foundation Alliance, Inc. (CFA) was incorporated and commenced operations as a not-for-profit foundation in 1991 under the laws of the State of Indiana. The Evansville Endowment Fund, Inc. (EEF), was incorporated and commenced operations as a nonprofit foundation in 1998 under the laws of the State of Indiana. Alliance Initiative Fund, Inc. (AIF) was incorporated and commenced operations as a nonprofit organization in 2000 under the laws of the State of Indiana.

Community Foundation Alliance, Inc. and Affiliates (collectively the "Organization") are public charities, as defined in Internal Revenue Code Section 501(c)(3), whose mission and principal activities are to provide an accessible and flexible vehicle for individuals, families, corporations and agencies to create permanent funds for charitable purposes in their communities. The Organization's revenue and other support are derived principally from contributions, and its activities are conducted principally in the nine southwestern Indiana counties of Daviess, Gibson, Knox, Perry, Pike, Posey, Spencer, Vanderburgh and Warrick.

EEF was established as a supporting organization of CFA and was initially funded by a $5,000,000 commitment from the City of Evansville, which is to be held in perpetuity. The majority of EEF board members are appointed by CFA.

AIF was established as a supporting organization of CFA to handle unusual gifts and large grants. The board of directors of CFA serves as the board of directors for AIF.

Consolidation Policy

The accounts of EEF and AIF are consolidated with the accounts of CFA. All inter-entity transactions have been eliminated in consolidation.

Management's Estimates

Management uses estimates and assumptions in preparing consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported support, revenues and expenses. Actual results could vary from the estimates that were used.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis, and have been prepared with a focus on the entity as a whole. Net assets, support, revenues, gains, and losses are classified based on the existence or absence of donor restrictions. Accordingly, the net assets of the Organization are classified and reported as follows:

Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board of directors (Board) or designated by the Board for specific use. The Organization maintains net assets without donor restrictions as follows:

Operating – used to fund current operations of the Organization

Operating reserve – used to fund future operations of CFA as designated by the Board

Board designated endowment – established with the expectation that the principal be maintained in perpetuity to generate grants, subject to the spending policy, used to support the general operations of CFA as designated by the Board

Net assets with donor restrictions: Net assets subject to donor stipulations for specific purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term to support operations or specific purposes. The Organization maintains net assets with donor restrictions as follows:

Restricted due to time restrictions – all contributions to the Organization with donor restrictions that will be met by the passage of time

Restricted for specified purpose – all contributions to the Organization with the intention of the donor to be held for a specific program or in a donor-restricted non-endowed fund

Endowment funds – all contributions to the Organization with the intention of the donor that the assets be held in perpetuity and related investment earnings managed in accordance with the Organization’s spending policy

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of money market investments and exclude amounts held by the Organization’s fund managers and included in investments.

Investments and Investment Return

The Organization carries its investments at fair value for financial reporting purposes. Changes in unrealized appreciation or depreciation of investments are reflected in the Consolidated Statements of Activities in the period in which such changes occur.

Interest and dividend income and net unrealized and realized gains and losses on investments are recognized net assets with or without donor restrictions based upon the existence or absence of donor-imposed restrictions or the related fund classification in accordance with the Organization's spending policy.

Property and Equipment

Property and equipment, including expenditures that substantially increase the useful lives of existing assets, are recorded at cost except for donations, which are recorded at fair value at the date of the donation. Costs of ordinary maintenance and repairs are expensed as incurred.

Property and equipment are depreciated over their estimated useful lives ranging from three to ten years using the straight line method.

Support, Revenues and Expense Recognition

Contributions, which include unconditional promises to give (pledges receivable), are recognized as revenues in the period the contribution is received or the promise is made. Contributions received with donor-imposed restrictions are reported as restricted support and increase net assets with donor restrictions.

Support and revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions or directed to a donor-restricted fund. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in either net assets with or without donor restrictions in accordance with the classification of the fund.

All other revenue is recorded when earned.

Grants and Grants Payable

Unconditional grants are recorded when a commitment is made and approved by the Board of Directors. For grants which are conditional on the recipient overcoming specified barriers and there exists a right of return/release, grants are recorded at the time those conditions are satisfied.

Administrative Fees

Administrative fees are expensed from the funds to support the operations of the Organization and are considered program expenses. Administrative fees from all funds are reflected as revenue on the Consolidated Statements of Activities. The administrative fees from custodial funds (agency endowments) are not included as expenses on the Consolidated Statements of Activities because they are included in the change in custodial funds.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Consolidated Statements of Activities and Consolidated Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report expenses that are attributed to more than one program or supporting function. These expenses include salaries, payroll taxes, employee benefits and various occupancy expenses. These expenses are allocated on the basis of estimates of time, effort and usage. While the methods of allocation are considered appropriate, other methods could produce different results.

Income Taxes

Community Foundation Alliance, Inc., Evansville Endowment Fund, Inc., and Alliance Initiative Fund, Inc. are not-for-profit corporations under Section 501(c)(3) of the United States Internal Revenue Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Organization, and has concluded that as of June 30, 2025 and 2024, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying consolidated financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

As such, the Organization is generally exempt from income taxes. However, the Organization is required to file Federal Form 990 – Return of Organization Exempt from Income Tax which is an informational return only.

Subsequent Events

Effective September 2025, Community Foundation Alliance, Inc. changed its name to Community Foundation of Southwest Indiana, Inc.; however, continues to operate under the D/B/A of Community Foundation Alliance, Inc.

The Organization has evaluated events or transactions occurring subsequent to the Consolidated Statement of Financial Position date for recognition and disclosure in the accompanying consolidated financial statements through the date the consolidated financial statements were available to be issued, which is December 4, 2025.

2. INVESTMENTS

Investments at June 30, 2025 and 2024, consist of the following:

	2025	2024
Cash and cash equivalents	$ 4,488,131	$ 4,794,215
Equity mutual funds		
Domestic large cap equity	46,477,674	41,019,514
Domestic small/mid cap equity	6,370,801	5,740,184
International equity	28,651,487	24,202,483
Fixed income mutual funds		
Domestic	37,543,149	34,242,664
Equity exchange traded funds		
Domestic large cap equity	1,015,984	500,400
Domestic small/mid cap equity	452,996	211,777
International equity	160,783	150,436
Fixed income exchange traded funds		
Intermediate term bond	134,852	158,350
Other	103,258	146,495
Common stocks		
Domestic small/mid cap	11,058,104	11,860,874
Domestic large cap	3,872,470	2,520,161
Real estate investment trusts	327,871	379,007
Corporate bonds	234,888	227,162
Government and municipal bonds	793,249	765,522
Alternative investments		
Private equity	1,244,577	1,847,893
Hedge funds	19,014,052	17,084,320
	$ 161,944,326	$ 145,851,457

3. RISKS AND UNCERTAINTIES

The Organization holds investments (Note 2). Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying consolidated financial statements.

4. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

- Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

- *Mutual funds and exchange traded funds*: Valued at the daily closing price as reported by the fund. Mutual and exchange traded funds ("funds") are held by the Organization and are open-end funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds held by the Organization are deemed to be actively traded.

- *Common stocks and real estate investment trusts:* Valued at the closing price reported on the active market which the individual securities are traded.

- *Corporate, government and municipal bonds*: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

- *Beneficial interest in charitable trust*: Fair value is determined by calculating the present value of the annuity using published life expectancy tables and discount rate of 3.8%.

- *Beneficial interest in perpetual trust:* Fair value is determined by calculating CFA's beneficial share of the underlying investments in the trust.

- *Alternative investments*: Valued at the NAV of the units of the funds, as provided by the investment managers. The NAV is based on the fair value of the underlying investments held by the funds less their liabilities.

- *Charitable gift annuities payable*: Fair value is determined by calculating the present value of future payments to beneficiaries using published life expectancy tables with discount rates ranging between 4.9% to 8.0%.

The following tables set forth financial assets and liabilities measured at fair value in the Consolidated Statements of Financial Position and the respective levels to which the fair value measurements are classified within the fair value hierarchy on a recurring basis at June 30, 2025 and 2024:

	2025			
	Fair Value	Level 1	Level 2	Level 3
Assets:				
Investments				
Mutual funds	$ 119,043,111	$ 119,043,111	$ -0-	$ -0-
Exchange traded funds	1,867,873	1,867,873	-0-	-0-
Common stocks	14,930,574	14,930,574	-0-	-0-
Real estate investment trusts	327,871	327,871	-0-	-0-
Corporate bonds	234,888	-0-	234,888	-0-
Government and municipal bonds	793,249	-0-	793,249	-0-
Beneficial interest in perpetual trust	424,405	-0-	424,405	-0-
Total assets in fair value hierarchy	137,621,971	$ 136,169,429	$ 1,452,542	$ -0-
Alternative investments*	20,258,629			
Total assets at fair value	$ 157,880,600			
Liabilities:				
Charitable gift annuities payable	$ 73,057	$ -0-	$ -0-	$ 73,057

	2024			
	Fair Value	Level 1	Level 2	Level 3
Assets:				
Investments				
Mutual funds	$ 105,204,845	$ 105,204,845	$ -0-	$ -0-
Exchange traded funds	1,167,458	1,167,458	-0-	-0-
Common stocks	14,381,035	14,381,035	-0-	-0-
Real estate investment trusts	379,007	379,007	-0-	-0-
Corporate bonds	227,162	-0-	227,162	-0-
Government and municipal bonds	765,522	-0-	765,522	-0-
Beneficial interest in charitable trusts	2,200,000	-0-	-0-	2,200,000
Beneficial interest in perpetual trust	392,879	-0-	392,879	-0-
Total assets in fair value hierarchy	124,717,908	$ 121,132,345	$ 1,385,563	$ 2,200,000
Alternative investments*	18,932,213			
Total assets at fair value	$ 143,650,121			
Liabilities:				
Charitable gift annuities payable	$ 85,305	$ -0-	$ -0-	$ 85,305

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented at fair value in the consolidated statement of financial position.

The progression of beneficial interest in charitable trusts during the years ended June 30, 2025 and 2024 is as follows:

	2025	2024
Beginning balance	$ 2,200,000	$ 1,823,727
Proceeds received	(2,200,000)	-0-
Change in present value	-0-	376,273
Ending balance	$ -0-	$ 2,200,000

The progression of charitable gift annuities payable during the years ended June 30, 2025 and 2024 is as follows:

	2025	2024
Beginning balance	$ 85,305	$ 89,324
Payments to donors	(13,013)	(13,012)
Change in present value	765	8,993
Ending balance	$ 73,057	$ 85,305

Private equities do not allow withdrawals from the partnership until the partnership is dissolved, unless special approval is granted by the general partner. The investment will not liquidate until specified by the agreement. Distributions are received through the liquidation of the underlying assets of the fund. The timing of the liquidation of these underlying assets ranges from one to three years.

Private equity investments, unfunded commitments and their investment objectives consist of the following as of June 30, 2025 and 2024:

	2025	2024	Unfunded Commitment as of June 30, 2025
Montauk Triguard Fund V LP	$ 148,403	$ 191,749	$ 174,433
Portfolio Advisors Private Equity Fund VI	60,069	349,383	125,447
NB Secondary Opportunities Offshore Fund III	207,240	221,322	199,245
Mercer Private Investment Partners III	828,865	1,085,439	504,000
	$ 1,244,577	$ 1,847,893	$ 1,003,125

A summary of hedge funds as of June 30, 2025 and 2024, including balances, restrictions on redemptions and investment objectives, is as follows:

	2025	2024	Redemption Notice	Redemption Frequency
Wellington CTF Research Equity Portfolio Fund	$ 19,014,052	$ 17,084,320	10 days notice	Monthly

Due to the nature of the investments held by the private equity and hedge funds, changes in market conditions and the economic environment may significantly impact the net asset value of the private equity and hedge funds and, consequently, the fair value of the Organization's interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the Organization were to sell these investments in the secondary market, a buyer may require a discount to the reported net asset value, and the discount could be significant.

5. BENEFICIAL INTEREST IN CHARITABLE TRUST

CFA was the beneficiary of a charitable remainder trust administrated by an outside party that terminated in 2025. The value expected to be received from the trust was $2,200,000 as of June 30, 2024 due to the subsequent passing of the donor. These funds were received in 2025.

6. PROPERTY AND EQUIPMENT

A summary of property and equipment at June 30, 2025 and 2024 is as follows:

	2025	2024
Furniture and equipment	$ 235,078	$ 291,192
Less accumulated depreciation	(142,219)	(212,973)
	$ 92,859	$ 78,219

7. BENEFICIAL INTEREST IN PERPETUAL TRUST

CFA is the one-fourth beneficiary of an irrevocable perpetual trust under which distributions of income only are made to the Organization. The Organization is not the trustee of the trust, but has recorded one-fourth of the fair value of the trust assets in the Consolidated Statements of Financial Position. The Organization has recognized its interest in this perpetual trust as part of permanently restricted net assets. The Organization's interest under this trust was $424,405 and $392,879 at June 30, 2025 and 2024.

8. CHARITABLE GIFT ANNUITIES PAYABLE

CFA has seven charitable gift annuities as of June 30, 2025 and 2024, under which CFA received $243,252 and is required to make payments to the donors in amounts ranging from $530 to $5,164 annually for the remainder of the donors' lifetimes. Upon the death of the specified persons, the remaining amount of the gifts are to be used by CFA as specified in the respective agreements. CFA has recognized a liability for the present value of the amount expected to be paid to the third-party beneficiaries at June 30, 2025 and 2024, under these agreements. The liability was calculated based on the applicable mortality tables and discount rates ranging from 4.9% to 8.0%. The present value of amounts expected to be paid to the donors or their named beneficiaries was $73,057 and $85,305 at June 30, 2025 and 2024, respectively.

9. CUSTODIAL FUNDS

Custodial funds represent funds placed on deposit with CFA by other organizations based on their individual board resolutions. CFA accounts for these transfers as a liability in accordance with standards set forth by the Financial Accounting Standards Board. Income is added to these funds periodically in accordance with CFA's investment allocation policies. Custodial funds also include funds held by AIF as a fiscal sponsorship. Contributions by, investment interest credits for, and distributions to those organizations are reflected as adjustments to the liability account and are not reflected in the Consolidated Statements of Activities.

Following is a progression of custodial funds at June 30, 2025 and 2024:

	2025	2024
Custodial funds, beginning balance	$ 6,300,323	$ 6,031,751
Contributions	345,983	285,303
Investment return, net	664,326	670,662
Administrative fees	(83,204)	(76,686)
Other expenses	(145,675)	(349,543)
Grant and scholarship payments	(258,000)	(261,164)
Custodial funds, ending balance	$ 6,823,753	$ 6,300,323

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at June 30, 2025 and 2024:

	2025	2024
Time restrictions related to:		
Charitable trusts	$ -0-	$ 2,200,000
Life insurance	176,084	169,414
Beneficial interest in perpetual trust	424,405	392,879
	600,489	2,762,293
Restricted for specified purposes:		
Various based on fund agreements	3,254,573	9,499,005
Sanctuary on the Hill project	5,363,655	-0-
Buffalo Trace Trails project	4,988,451	-0-
Endowment funds:		
Restricted in perpetuity		
Endowed funds for benefit of other organizations	103,705,949	95,203,681
EEF program activities	5,250,000	5,250,000
Restricted subject to CFA's spending policy	31,938,977	24,915,550
Restricted subject to EEF's spending policy	6,583,110	5,791,520
Administrative endowment	4,946,449	4,675,653
	152,424,485	135,836,404
	$ 166,631,653	$ 148,097,702

11. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions or time restrictions during the years ended June 30, 2025 and 2024 as follows:

	2025	2024
Designated purpose restrictions related to:		
CFA funds appropriated for expenditure for:		
Various purposes based on fund agreements	$ 10,188,786	$ 8,755,258
Sanctuary on the Hill project	1,351,403	-0-
Buffalo Trace Trails project	11,548	-0-
EEF funds appropriated for expenditure	534,262	522,286
	$ 12,085,999	$ 9,277,544

12. ENDOWMENT

The majority of the Organization's funds consist of donor-restricted endowed funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted 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 stipulation to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted endowment funds are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization 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 Organization
(7) The investment policies of the Organization

From time to time, due to unfavorable market fluctuations, the fair value of assets associated with the individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. The Organization has a policy that does allow spending from underwater endowment funds, unless otherwise precluded by donor intent or relevant laws and regulations.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for granting purposes while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must use for a donor-specified purpose as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce long-term growth of capital without undue exposure to risk. The Organization expects its endowment funds, over time, to provide an average rate of return of approximately 8.25 percent annually. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment decisions shall be made with the intent of maximizing the long-term total return of the portfolio through market value changes (realized and unrealized) and through earned income (dividends and interest).

CFA has a policy of appropriating for distribution each year 1 to 4.5 percent of its endowment funds' average fair value over the prior 12 quarters, as voted upon annually by the Board of Directors. EEF has a policy of appropriating for distribution each year 3 to 5 percent of its endowment fund's average fair value over the prior 20 quarters. In establishing these policies, the Organization considered the long-term expected return on its endowment.

Endowed funds by net asset type at June 30, 2025 and 2024 were as follows:

	2025		2024	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Board Designated Funds	$ 2,107,144	$ -0-	$ 1,787,345	$ -0-
Donor Restricted Funds	-0-	152,424,485	-0-	135,836,404
	$ 2,107,144	$ 152,424,485	$ 1,787,345	$ 135,836,404

Changes in net assets related to endowed funds for the years ended June 30, 2025 and 2024 were as follows:

	2025		2024	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Endowment net assets, beginning of year	$ 1,787,345	$ 135,836,404	$ 1,111,486	$ 121,954,329
Contributions and other revenue	-0-	2,782,837	-0-	3,158,703
Interfund activity, net	180,117	6,066,246	507,205	1,259,351
Investment return, net	238,913	15,075,401	249,992	16,583,319
Appropriation of endowment assets for expenditure	(99,231)	(7,336,403)	(81,338)	(7,119,298)
Endowment net assets, end of year	$ 2,107,144	$ 152,424,485	$ 1,787,345	$ 135,836,404

13. LIQUIDITY AND AVAILABILITY

As part of the Organization's liquidity management, it structures its financial assets to be available as its awarded grants, general expenditures and other obligations become due. The Organization invests cash in excess of daily requirements in cash and other short-term investments. Financial assets available for general expenditures within one year of the Consolidated Statement of Financial Position date comprise of the following as of June 30, 2025 and 2024:

	2025	2024
Operating cash and cash equivalents	$ 1,060,594	$ 643,257
Operating investments	2,000,413	1,940,741
Other assets	100,047	152,516
	$ 3,161,054	$ 2,736,514

The Organization's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure. The Organization has an annual grant approval process. This process includes evaluating a number of factors relative to the spending rate to be applied to the Organization's fund balances in accordance with its spending policy. Once the Organization's Board approves the spending rate, the related dollar amount of the funds becomes available for general expenditures.

While not subject to the Organization's spending policy, expenditures from donor-restricted non-endowed funds must be approved by the Board and, therefore, are not available for general expenditure until that time. Non-endowed funds are held in liquid investments and are made available upon appropriation.

The Organization also has administrative endowments, which are subject to an annual spending rate of up to 4.5 percent as described in Note 12. Although the Organization does not intend to spend from these administrative endowments (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available, if necessary.

The Organization also relies on the administrative fees it charges its funds annually ranging from 1.5% to 2% of fund balance to fund operational expenditures.

14. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts insured by the Federal Deposit Insurance Corporation at its current coverage levels. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash.

Investments are maintained at several investment firms. Such balances exceed the Securities Investor Protection Corporation insured limits of up to $500,000.

SUPPLEMENTARY INFORMATION

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

	Community Foundation Alliance, Inc.	Evansville Endowment Fund, Inc.	Alliance Initiative Fund, Inc.	Eliminations	Consolidated
Cash and cash equivalents	$ 16,590,092	$ 23,489	$ 4,410	$ -0-	$ 16,617,991
Investments	149,693,097	11,809,779	441,450	-0-	161,944,326
Other assets	1,056,099	-0-	-0-	(205)	1,055,894
Property and equipment, net	92,859	-0-	-0-	-0-	92,859
Beneficial interest in perpetual trust	424,405	-0-	-0-	-0-	424,405
Total assets	$ 167,856,552	$ 11,833,268	$ 445,860	$ (205)	$ 180,135,475
Liabilities					
Accounts payable and accrued expenses	$ 24,205	$ -0-	$ -0-	$ -0-	$ 24,205
Grants payable	806,397	-0-	-0-	-0-	806,397
Charitable gift annuities payable	73,057	-0-	-0-	-0-	73,057
Custodial funds	6,823,753	-0-	-0-	-0-	6,823,753
Other liabilities	319,548	158	47	(205)	319,548
Total liabilities	8,046,960	158	47	(205)	8,046,960
Net assets					
Without donor restrictions					
Operating	2,743,561	-0-	445,813	-0-	3,189,374
Operating reserve	160,344	-0-	-0-	-0-	160,344
Board designated endowment	2,107,144	-0-	-0-	-0-	2,107,144
	5,011,049	-0-	445,813	-0-	5,456,862
With donor restrictions					
Restricted due to time restrictions	600,489	-0-	-0-	-0-	600,489
Restricted for specified purpose	13,606,679	-0-	-0-	-0-	13,606,679
Endowment funds	140,591,375	11,833,110	-0-	-0-	152,424,485
	154,798,543	11,833,110	-0-	-0-	166,631,653
Total net assets	159,809,592	11,833,110	445,813	-0-	172,088,515
Total liabilities and net assets	$ 167,856,552	$ 11,833,268	$ 445,860	$ (205)	$ 180,135,475

See Report of Independent Auditors on pages 1 – 3.

COMMUNITY FOUNDATION ALLIANCE, INC.
AND AFFILIATES

CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions					With Donor Restrictions		
	Community Foundation Alliance, Inc.	Evansville Endowment Fund, Inc.	Alliance Initiative Fund, Inc.	Eliminations	Consolidated	Community Foundation Alliance, Inc.	Evansville Endowment Fund, Inc.	Consolidated
Support and revenues								
Contributions	$ 25,889	$ -0-	$ -0-	$ -0-	$ 25,889	$ 3,100,264	$ -0-	$ 3,100,264
Grant revenue	120,500	-0-	-0-	-0-	120,500	12,336,350	-0-	12,336,350
Administrative fee income	2,211,260	-0-	-0-	(27,000)	2,184,260	-0-	-0-	-0-
Investment return, net	557,841	-0-	44,802	-0-	602,643	13,789,639	1,325,852	15,115,491
Change in value of split interest agreements	-0-	-0-	-0-	-0-	-0-	50,761	-0-	50,761
Other income	24,168	-0-	-0-	-0-	24,168	17,084	-0-	17,084
Net assets released from restrictions	11,551,737	534,262	-0-	-0-	12,085,999	(11,551,737)	(534,262)	(12,085,999)
Total support and revenues	14,491,395	534,262	44,802	(27,000)	15,043,459	17,742,361	791,590	18,533,951
Expenses								
Programs	12,122,388	505,219	-0-	-0-	12,627,607	-0-	-0-	-0-
Management and general	888,400	29,043	70	(27,000)	890,513	-0-	-0-	-0-
Fundraising	767,371	-0-	-0-	-0-	767,371	-0-	-0-	-0-
Total expenses	13,778,159	534,262	70	(27,000)	14,285,491	-0-	-0-	-0-
Change in net assets	713,236	-0-	44,732	-0-	757,968	17,742,361	791,590	18,533,951
Net assets, beginning of year	4,297,813	-0-	401,081	-0-	4,698,894	137,056,182	11,041,520	148,097,702
Net assets, end of year	$ 5,011,049	$ -0-	$ 445,813	$ -0-	$ 5,456,862	$ 154,798,543	$ 11,833,110	$ 166,631,653

See Report of Independent Auditors on pages 1 – 3.