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ALBUQUERQUE COMMUNITY FOUNDATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2018 and 2017

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
Albuquerque Community Foundation and Subsidiaries

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Albuquerque Community Foundation (a nonprofit organization) and Subsidiaries (collectively referred to as the Foundation), which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Albuquerque Community Foundation and Subsidiaries as of December 31, 2018 and 2017, 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.

Emphasis of Matter

As discussed in Note A19 to the consolidated financial statements, the Foundation adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14 *Not-for-Profit Entities – Presentation of Financial Statements of Not-for-Profit Entities.* Our opinion is not modified with respect to this matter.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and the consolidating statements of activities and changes in net assets on pages 36-41 are presented for the purpose of additional analysis and are 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 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 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 information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Atkinson & Co., Ltd.

Atkinson & Co., Ltd.

Albuquerque, New Mexico
July 24, 2019

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31,

ASSETS

	2018	(As Restated) 2017
ASSETS		
Cash and cash equivalents	$ 3,246,744	$ 1,771,705
Investments	81,875,701	81,102,554
Pledge receivables	106,444	121,923
Bequest receivables	3,989,750	3,000,000
Note receivable	42,032	-
Prepaid expenses	38,873	25,620
Property held-for-sale	205,000	42,300
Other assets	127,855	173,933
Beneficial interest in charitable remainder trusts	2,856,296	3,329,756
Property and equipment, net	1,620,269	1,707,455
Total assets	$ 94,108,964	$ 91,275,246

LIABILITIES AND NET ASSETS

	2018	2017
LIABILITIES		
Accounts payable and accrued expenses	$ 89,627	$ 67,264
Grants payable	55,000	244,700
Unrelated business income tax payable	-	6,916
Charitable remainder trusts	2,302,270	2,713,433
Liabilities for assets held for community organizations	14,119,070	13,646,915
Total liabilities	16,565,967	16,679,228
COMMITMENTS	-	-
NET ASSETS		
Without donor restrictions	33,694,189	34,006,655
With donor restrictions	43,848,808	40,589,363
Total net assets	77,542,997	74,596,018
Total liabilities and net assets	$ 94,108,964	$ 91,275,246

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

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions	$ 3,905,984	$ 6,688,113	$ 10,594,097
Dividends and interest	563,293	581,673	1,144,966
Special events, net of donor benefit of $38,250	28,720	166,124	194,844
Other income	116,394	-	116,394
In-kind contributions	3,579	13,383	16,962
Change in value of charitable remainder trust agreements	-	(61,925)	(61,925)
Loss on investments and property held-for sale	(1,453,979)	(1,305,701)	(2,759,680)
Total revenue and support	3,163,991	6,081,667	9,245,658
Net assets released from restrictions	2,822,222	(2,822,222)	-
EXPENSES			
Program:			
Distributions and grants	4,549,333	-	4,549,333
Community outreach	867,706	-	867,706
Support:			
Management and general	732,727	-	732,727
Fundraising and development	148,913	-	148,913
Total expenses	6,298,679	-	6,298,679
CHANGES IN NET ASSETS	(312,466)	3,259,445	2,946,979
Net assets, beginning of year	34,006,655	40,589,363	74,596,018
Net assets, end of year	$ 33,694,189	$ 43,848,808	$ 77,542,997

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

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS – CONTINUED

Year Ended December 31, 2017 (As Restated)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions	$ 10,796,865	$ 5,893,851	$ 16,690,716
Gain on investments and property held-for-sale, net of unrelated business income taxes of $200,273	3,327,680	3,683,607	7,011,287
Dividends and interest	357,039	389,903	746,942
Special events, net of donor benefit of $39,000	21,691	207,285	228,976
Change in value of charitable remainder trust agreements	-	135,063	135,063
Other income	111,486	-	111,486
In-kind contributions	9,518	5,384	14,902
Total revenue and support	14,624,279	10,315,093	24,939,372
Net assets released from restrictions	3,513,512	(3,513,512)	-
EXPENSES			
Program:			
Distributions and grants	4,798,232	-	4,798,232
Community outreach	842,107	-	842,107
Support:			
Management and general	599,452	-	599,452
Fundraising and development	140,665	-	140,665
Total expenses	6,380,456	-	6,380,456
CHANGES IN NET ASSETS	11,757,335	6,801,581	18,558,916
Net assets, beginning of year, as previously reported	22,757,344	33,036,651	55,793,995
Prior period adjustment	(508,024)	477,979	(30,045)
Net assets, beginning of year, as restated	22,249,320	33,514,630	55,763,950
Transfer from community organization	-	273,152	273,152
Net assets, end of year, as restated	$ 34,006,655	$ 40,589,363	$ 74,596,018

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

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2018

	Program Services				
	Distributions and Grants	Community Outreach	Management and General	Fundraising and Development	Total
Grant distributions	$ 4,549,333	$ -	$ -	$ -	$ 4,549,333
Salaries	-	405,484	269,462	78,582	753,528
Professional services	-	8,997	214,915	1,304	225,216
Office expense	-	54,495	42,339	10,841	107,675
Donor marketing/development	-	57,879	14,891	17,455	90,225
Travel, conventions and seminars	-	80,969	7,082	2,098	90,149
Depreciation	-	46,613	31,301	9,272	87,186
Information technologies	-	40,827	27,416	8,121	76,364
Concours	-	64,104	-	-	64,104
Employee benefits	-	30,982	23,679	8,078	62,739
Payroll taxes	-	27,276	19,617	5,457	52,350
Insurance	-	-	32,125	-	32,125
Retiement	-	17,862	10,042	3,497	31,401
Professional development	-	16,215	10,889	3,225	30,329
Miscellaneous expense	-	11,059	16,726	-	27,785
Membership dues and fees	-	4,944	3,320	983	9,247
Board/Committee meetings	-	-	8,923	-	8,923
	$ 4,549,333	$ 867,706	$ 732,727	$ 148,913	$ 6,298,679

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

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES – CONTINUED

Year Ended December 31, 2017

	Program Services				
	Distributions and Grants	Community Outreach	Management and General	Fundraising and Development	Total
Grant distributions	$ 4,798,232	$ -	$ -	$ -	$ 4,798,232
Salaries	-	386,837	228,524	76,363	691,724
Professional services	-	-	152,220	-	152,220
Office expense	-	68,953	43,937	13,810	126,700
Depreciation	-	49,745	29,454	9,962	89,161
Donor marketing/development	-	71,831	1,613	12,706	86,150
Travel, conventions and seminars	-	69,000	9,787	3,310	82,097
Information technologies	-	40,021	23,698	8,015	71,734
Concours	-	51,423	-	-	51,423
Miscellaneous expense	-	26,894	22,284	-	49,178
Payroll taxes	-	26,514	16,932	5,395	48,841
Employee benefits	-	23,925	14,356	6,180	44,461
Insurance	-	-	30,650	-	30,650
Retiement	-	15,291	8,150	2,587	26,028
Membership dues and fees	-	6,448	3,818	1,291	11,557
Board/Committee meetings	-	-	10,935	-	10,935
Professional development	-	5,225	3,094	1,046	9,365
	$ 4,798,232	$ 842,107	$ 599,452	$ 140,665	$ 6,380,456

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended December 31,

Increase (Decrease) in Cash and Cash Equivalents

	2018	(As Restated) 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Contribution receipts	$ 9,034,334	$ 12,440,111
Receipts from special events	233,094	267,976
Other receipts	115,175	89,616
Payments made for grants	(4,739,033)	(4,744,607)
Payments made for salaries, benefits, and payroll taxes	(892,860)	(806,027)
Payments to vendors	(753,860)	(690,338)
Payments made for unrelated business income taxes	-	(504,561)
Net cash provided by operating activities	2,996,850	6,052,170
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(19,491,742)	(33,165,727)
Proceeds from sales of investments	17,969,663	28,004,762
Proceeds from property held-for-sale	268	-
Purchases of property and equipment	-	(28,246)
Net cash used in investing activities	(1,521,811)	(5,189,211)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,475,039	862,959
Cash and cash equivalents, beginning of year	1,771,705	908,746
Cash and cash equivalents, end of year	$ 3,246,744	$ 1,771,705

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

CONSOLIDATED STATEMENTS OF CASH FLOWS – CONTINUED

Years Ended December 31,

Increase (Decrease) in Cash and Cash Equivalents

	2018	(As Restated) 2017
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FROM OPERATING ACTIVITIES		
Changes in net assets	$ 2,946,979	$ 18,558,916
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Transfer from community organization	-	273,152
Depreciation	87,186	89,161
Loss (gain) on investments	2,759,747	(7,213,897)
Reinvested dividends and interest	(1,144,966)	(746,942)
Gain on sale of property held-for-sale	(67)	-
Change in value of charitable remainder trust agreements	62,297	(135,063)
Amortization of discount on long-term pledges	-	(84)
Donated stock	(1,240,370)	(1,135,055)
Donated property held-for-sale	(205,000)	-
Donated property and equipment	-	(5,000)
(Increases) decreases in operating assets:		
Bequest receivables	(989,750)	(2,802,604)
Pledge receivables	15,479	(67,878)
Prepaid expenses	(13,253)	(4,133)
Other assets	46,078	(21,815)
Increases (decreases) in operating liabilities:		
Accounts payable and accrued expenses	22,363	31,243
Grants payable	(189,700)	53,625
Unrelated business income taxes payable	(6,916)	(257,983)
Liabilities for assets held for community organizations	846,743	(563,473)
Net cash provided by operating activities	$ 2,996,850	$ 6,052,170

SUPPLEMENTAL DISCLOSURES OF NONCASH ACTIVITIES

	2018	2017
Changes in charitable remainder trusts liability	$ 411,163	$ (184,729)
Changes in liabilities for assets held for community organizations	$ (374,588)	$ 1,795,107
Cash paid for unrelated business income taxes	$ -	$ 511,477
In-kind contributions	$ 16,962	$ 9,902
Sale of property through notes receivable	$ 53,000	$ -

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

NOTE A – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows.

1. <u>Organization</u>

Albuquerque Community Foundation (the Foundation) is a nonprofit, publicly supported philanthropic institution in Albuquerque, New Mexico that manages a pool of charitable funds whose income is used to benefit the community through its grants to local nonprofit organizations, educational programs, and student aid awards.

Contributions and bequests are received from individuals and corporations. The Foundation coordinates receipt and investment of charitable contributions, distributes funds for community needs, and serves as a leader and educational resource by encouraging philanthropy.

During 2000, the Foundation created ACF Holdings, LLC for the purpose of acquiring, selling, and otherwise dealing with certain property interests periodically conveyed by donors to the organization. The LLC will dissolve 60 years from the filing date of the articles of incorporation. ACF Holdings, LLC is consolidated with the financial statements of the Foundation.

During 2010, the Foundation received the donation of a building to be used for the operations of the Foundation. The building is a historic building located in downtown Albuquerque. Upon completion of the renovation, the Foundation moved its operations into the building in June 2012. The Foundation created a wholly-owned subsidiary, Historic Champion Grocery Building, LLC ("HCGB LLC") to hold the building. HCGB LLC is consolidated with the financial statements of the Foundation. The renovation costs are recorded as a depreciable asset.

In 2016, the Foundation's Board of Trustees authorized a social impact investing initiative to allocate a portion of endowed assets into social impact investments. The Board, with the belief that a vibrant economy promotes philanthropy, committed to a five-year pilot period where up to 5% of endowed assets would be invested in programs focused in the Greater Albuquerque four-County area that stimulate entrepreneurial initiatives and economic development, improve the lives of low-income people through the creation and retention of living wage jobs, provide access to affordable capital and housing, enhance the vitality of the metropolitan area and promote quality education. Specific investment information related to this investing initiative is included in Note H.

2. <u>Principles of Consolidation</u>

The accompanying consolidated financial statements include the accounts of Albuquerque Community Foundation and its for-profit wholly owned subsidiaries, ACF Holdings, LLC and HCGB LLC. All significant intercompany balances and transactions have been eliminated.

3. <u>Estimates</u>

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of

NOTE A – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. Estimates – Continued

revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates included in the accompanying consolidated financial statements primarily relate to the value of the Foundation's investment portfolio, the beneficial interest in charitable remainder trusts and the value of the charitable remainder trust liabilities.

4. Income Tax Status

The Foundation is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as an entity that is not a private foundation. Management of the Foundation believes that the activities of the Foundation are within their tax-exempt purpose. However, the Foundation may generate income through certain alternative investments that may be subject to unrelated business income tax. Income taxes from such activities were estimated at $0 and $246,578 for the years ended December 31, 2018 and 2017, respectively, and are included as a reduction to investment gains/losses and to the investment gains/losses contained within the liabilities for assets held for charitable organizations in these consolidated financial statements. See also note G. The Foundation made no estimated tax payments during 2018 and made estimated tax payments during 2017. Therefore, the income tax payable recorded at December 31, 2017, represents the final estimated payments made after December 31, 2017, for the 2017 calendar year. ACF Holdings, LLC and HCGB LLC are disregarded entities for tax purposes; therefore, no provision for income taxes is provided for in the accompanying consolidated financial statements. The Foundation does not have any uncertain tax positions for the years ended December 31, 2018 and 2017. Any interest and penalties associated with a tax position, when applicable, are classified according to their natural classification in the Foundation's consolidated financial statements. Under the statute of limitations, the Foundation's tax returns are no longer subject to examination by tax authorities for years prior to 2015.

5. Cash and Cash Equivalents

For purposes of the accompanying consolidated statements of cash flows, the Foundation considers all cash depository accounts and highly liquid investments with original maturities of less than 90 days to be cash equivalents. Certain money market funds within the investment portfolio classification are restricted and are not considered cash equivalents.

6. Investments

Investments in marketable securities are carried at fair value; investments in closely held businesses and social impact investments (loans) are carried at their estimated net realizable value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Realized gains and losses are recorded on a specific identification method upon the sale of investment assets. The fair value of investments is subject to ongoing fluctuation. The amount ultimately realized upon disposition may differ from the amounts reported in these consolidated financial statements.

NOTE A – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

7. Concentrations of Credit Risk

The Foundation maintains deposit and investment accounts with various financial institutions and investment brokerage firms. Depository accounts with financial institutions are insured by the Federal Deposit Insurance Corporation; insurance limits on investment accounts vary by financial institution and by type of investment. Balances in these accounts may, at times, exceed federally or commercially insured limits. The Foundation has not experienced any losses on such accounts, and management believes it is not exposed to significant credit risk from these accounts.

8. Note Receivable

The Foundation records the note receivable at its estimated net realizable value and considers the note receivable to be fully collectible; accordingly, no allowance for doubtful accounts is recorded. The note receivable resulted from the sale of real estate. If amounts become uncollectible, they will be charged to operations when that determination is made. The interest rate on the note receivable is 7% and it matures in 2033.

9. Property and Equipment

Property and equipment are stated at cost. Depreciation is provided for all depreciable assets on a straight-line basis over the estimated useful lives of the assets and is allocated to each functional category based on utilization. The Foundation capitalizes all asset acquisitions over $2,500. Depreciation expense for December 31, 2018 and 2017, was $87,186 and $89,161, respectively. Property held-for-sale is recorded at net realizable value.

The Foundation reports gifts of land, buildings, and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Donated property is recorded at estimated fair value as of the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as net assets without restrictions when the assets are placed in service.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions when the assets are placed in service.

10. Charitable Remainder Trusts

The Foundation has been named as a beneficiary in several charitable remainder trusts. Under the terms of the trust agreements, the Foundation acts as the trustee. The donor has the right to change beneficiaries or the percentage allotted to the Foundation for the trusts. These are accounted for as an obligation until the trust principal reverts to the Foundation and is recorded as a contribution. Assets and liabilities held in these charitable remainder trusts totaled $2,042,154 in 2018 and $2,321,005 in 2017 and are reported at fair value in the Foundation's consolidated statements of financial position.

NOTE A – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

10. Charitable Remainder Trusts – Continued

Additionally, the Foundation is the beneficiary of the residual for several other charitable remainder trusts. Assets held in these trusts totaled $814,142 in 2018 and $1,008,751 in 2017 and are reported at fair value in the Foundation's consolidated statements of financial position. Annually, the Foundation revalues the liability to make distributions to the designated beneficiaries based on a percentage of the fair value or other amounts as specified by the trust agreement. The present value of the estimated future payments using discount rates ranging from 5.6% to 7.7% and applicable mortality tables was $303,711 in 2018 and $445,275 in 2017.

11. Contributions

Contributions received, including unconditional promises to give (pledges and bequests), are recognized at fair value as revenues in the period received. Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and nature of any donor-imposed restrictions. Bequests are deemed unconditional promises to give and are recognized as revenue and receivables when the probate court declares the will valid and the fair value of the Foundation's interest in the estate is determinable.

Pledges and bequests that are expected to be received within one year are recorded at their estimated net realizable value. Pledges and bequests that are expected to be received in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free discount rates applicable when the promises are received. Amortization of the discounts is included in contribution revenue. Management has provided an allowance for doubtful unconditional promises for all amounts believed to not be fully collectible. Management evaluates the value of pledges and bequest receivables on an annual basis in order to identify any circumstances where the Foundation may receive less than what they have recorded. The Foundation has not experienced any such circumstances. As of December 31, 2018 and 2017, all outstanding pledges are expected to be collected within one year.

Conditional promises to give are not included as support until the conditions are substantially met. The Foundation is the beneficiary from time to time of certain bequests not yet recognized that have various levels of conditions for which the amounts are undeterminable. Associated revenue is recognized when all conditions of the promise are substantially met.

12. Liability for Assets Held for Community Organizations

Contributions are not recognized as revenue when the Foundation functions in the capacity of an intermediary, trustee, or agent; in these situations, contributions are recognized as a liability for assets held for community organizations. See Note G.

NOTE A – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

13. Net Assets

The accompanying consolidated financial statements are prepared in accordance with generally accepted accounting principles for nonprofit organizations. Under these provisions, net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – net assets that are available for use in general operations and not subject to donor-imposed stipulations or subject to the Foundation's spending policy. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Trustees. Board designations have been made for operating reserves in the amounts of $704,342 and $649,624 at December 31, 2018 and 2017, respectively.

Net Assets with Donor Restrictions – net assets that are subject to donor-imposed stipulations or that are subject to the Foundation's spending policy. Some donor-imposed restrictions are temporary in nature, such as those that may or will be met by the occurrence of a specific event or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions in the accompanying consolidated statements of activities and changes in net assets as net assets released from restrictions.

14. Donations and In-Kind Contributions

Donated cash, securities, real estate, furniture and equipment, and in-kind contributions of services that qualify are recorded as assets or contributions at their estimated fair value at date of receipt. As donations and in-kind contributions are utilized, expense is recorded. Total donations and in-kind contributions were $16,962 and $14,902 for the years ended December 31, 2018 and 2017, respectively.

15. Endowment Administration

Management fees of $884,234 and $762,409 were charged by the Foundation to the funds held at the Foundation for administrative costs for the years ended December 31, 2018 and 2017, respectively. These fees are considered revenue to the Foundation's operating fund and expenses to the funds held under endowment.

16. Marketing/Donor Development

The Foundation uses marketing/donor development activities to promote its programs. Such costs are expensed as incurred. Marketing/donor development expense for the years ended December 31, 2018 and 2017, was $90,225 and $86,150, respectively.

NOTE A – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

17. Grant Expenses

Grants awarded are recognized as grant expense in the period the grant is approved, unless the grant is subject to future conditions. Conditional grants are recognized as grant expense and grant payable in the period the conditions are met. The Foundation has no conditional grants.

18. Functional Expenses

The Foundation reports its expenses according to four functional classifications: Distributions and Grants, which includes the direct costs of providing benefits and services to the nonprofit community; Community Outreach; Management and General; and Fundraising and Development. Common costs are allocated among the classifications on the basis of estimates of time and effort applied to the various operational areas within the Foundation.

19. Change in Accounting Principle

During 2018, the Foundation adopted Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities* (Topic 958) *– Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classifications, improves disclosures of information about liquidity and availability of resources, and improves disclosure about the type of information provided about expenses and investment returns. The Foundation applied the change retrospectively to all periods presented except for the disclosures on liquidity as allowed under the ASU. See Note M for the effect on net asset classifications as a result of this change.

20. Reclassifications

Certain reclassifications have been made to the 2017 consolidated financial statements to conform with the 2018 consolidated financial statement presentation.

21. Subsequent Events

The Foundation has evaluated all events occurring subsequent to December 31, 2018, and through July 24, 2019, which is the date that the consolidated financial statements were available to be issued. No matters were identified by management that should be recorded or disclosed.

NOTE B – LIQUIDITY AND AVAILABILITY

The Foundation receives (1) significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions, (2) gifts to establish endowments that will exist in perpetuity which the income generated from such endowments is used to fund programs and (3) contributions without donor restrictions that historically represented approximately 28% of annual operating needs. Additionally, management fees charged by the Foundation has historically represented 65% of annual operating needs.

NOTE B – LIQUIDITY AND AVAILABILITY – CONTINUED

The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted and board-designated endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising and development expenses and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation manages its available cash to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining adequate liquid assets, and;
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions will continue to be met, ensuring the sustainability of the Foundation.

The Foundation strives to maintain financial assets available to meet general expenditures at a level that represents 100% of annual expenses for administrative, general, and fund-raising expenses plus an amount that represents the expected payment for annual grant commitments.

The table below presents financial assets available for general expenditures within one year at December 31, 2018:

Financial assets at year end:	
Cash and cash equivalents	$ 3,246,744
Investments	81,875,701
Pledge receivables	106,444
Notes receivable	52,665
Bequest receivables	3,989,750
Prepaid expenses	38,873
Property held-for-sale	205,000
Other assets	127,855
Beneficial interest in charitable remainder trusts	2,856,296
Total financial assets	92,499,328

NOTE B – LIQUIDITY AND AVAILABILITY – CONTINUED

Less amounts not available to be used within one year:	
Cash and cash equivalents held for community organizations	242,282
Investments in non-liquid securities	29,561,989
Investments held in for endowments	49,038,684
Restricted pledge receivables	75,000
Bequest receivable restricted for endowment	3,989,750
Long-term portion of note receivable	50,749
Property held-for-sale	205,000
Other assets	127,855
Investments held in charitable remainder trusts	2,856,296
Total financial assets not available to be used within one year	86,147,605
Total financial assets available to meet general expenditures within one year	$ 6,351,723

NOTE C – BEQUEST RECEIVABLES

In 2018, the Foundation received legal notification that it was named as a beneficiary of two bequests for approximately $3,989,750. The Foundation is not acting as trustee of the bequests. The Foundation recorded the estimated realizable value of the bequests during 2018.

In 2017, the Foundation received legal notification that it was named as a beneficiary of two bequests for approximately $3,000,000. The Foundation is not acting as trustee of the bequests. The Foundation recorded the estimated realizable value of the bequests during 2017. As of December 31, 2018, all amounts expected to be received under these bequests have been collected.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment are comprised of the following at December 31:

	2018	2017
Building renovation	$ 1,552,045	$ 1,552,045
Building	544,000	544,000
Furniture and fixtures	246,619	246,619
Computer equipment	99,635	99,635
Website	25,095	25,095
	2,467,394	2,467,394
Less accumulated depreciation	(847,125)	(759,939)
Property and equipment, net	$ 1,620,269	$ 1,707,455

NOTE D – PROPERTY AND EQUIPMENT – CONTINUED

The Foundation is not depreciating the building as it is registered as a local historical landmark. However, depreciation has been recognized on the cost of the renovation.

NOTE E – CHARITABLE REMAINDER TRUST ASSETS

The beneficial interest in charitable remainder trusts is comprised of the following at December 31:

	2018	2017
Cash	$ 99,150	$ 127,095
Investments	2,757,146	3,202,661
	$ 2,856,296	$ 3,329,756

NOTE F – INVESTMENTS

The Foundation's policy is to pool cash and investments for greater investment return. Investment income (loss) and realized/unrealized gains (losses) on investments are allocated to each charitable fund based on its share of the pool. Investments are summarized as follows:

	2018	2017
Equities	$ 39,474,977	$ 42,921,774
Real assets	14,104,090	8,803,337
Fixed income	10,988,554	12,236,851
Multi strategy funds	8,341,288	9,107,006
Private equity	8,279,223	6,648,903
Cash	417,568	1,114,682
Other	270,001	270,001
	$ 81,875,701	$ 81,102,554

Investment returns consist of the following:

	2018	2017
Dividends and interest	$ 1,144,966	$ 746,942
Unrelated business income taxes on certain investments held	-	(200,191)
Realized and unrealized (losses) gains, including realized gain (loss) on sale of property held-for-sale	(2,759,680)	7,211,478
	$ (1,614,714)	$ 7,758,229

NOTE F – INVESTMENTS – CONTINUED

Investment consulting fees were $157,469 and $104,262 for the years ended December 31, 2018 and 2017, respectively.

The Board of Trustees of the Foundation, who is responsible for all stewardship of the Foundation, delegated to the Investment Committee the responsibility to ensure that the assets of the Foundation are managed in a manner that is consistent with the policies and objectives of the Foundation. The Investment Committee elected, as allowed by action of the Board, to engage an independent investment consulting firm to assist the Committee's activities. The Investment Committee meets at least quarterly with its investment consultant to review investment performance, asset allocation, and all other matters related to fiduciary oversight of investment assets.

Increases or decreases in the fair value of investments are unrealized until the investments are sold. The Board of Trustees of the Foundation has the authority to change the level of distributions to preserve the assets of the Foundation to benefit future generations.

The Foundation holds investments in certain private equity ventures, which require the Foundation to commit capital to these investments as a stipulation of participation. The Foundation has committed capital to these investments of $19,547,143 and $15,297,143, of which $12,144,143 and $11,738,432 have been called and remitted as of December 31, 2018 and 2017, respectively. The remaining capital commitments of $7,403,000 for 2018 and $3,558,711 for 2017 are callable while the underlying funds are active. Failure to provide capital upon its call would result in the Foundation losing its right to invest in these ventures.

NOTE G – LIABILITIES FOR ASSETS HELD FOR COMMUNITY ORGANIZATIONS

The Foundation accepts assets from other nonprofit organizations and agrees to use those assets and related earnings on behalf of the beneficiary organization. The distribution of these assets follows the Foundation's spending policy as described in Note I.

Administrative fees earned by the Foundation under these arrangements were $81,453 and $79,167 for the years ended December 31, 2018 and 2017, respectively.

During 2017 one nonprofit organization terminated operations. The organization had funds totaling $273,152 during the year ending December 31, 2017, with the Foundation that were recorded as liabilities for assets held for community organizations. In accordance with the agreements with the nonprofit organization and the Foundation, the funds balance was transferred from a liability to donor restricted endowments. No grants were made subsequent to the transfer of the funds.

NOTE G – LIABILITIES FOR ASSETS HELD FOR COMMUNITY ORGANIZATIONS – CONTINUED

A summary of the activity in the liabilities for assets held for community organizations is as follows for the years ended December 31:

	2018	(As Restated) 2017
Balance, beginning of year (as restated)	$ 13,646,915	$ 12,410,412
Additions:		
Contributions	1,941,408	513,743
Investment income net of investment consulting fees and unrelated business income taxes of $26,776 for 2018 and $70,444 for 2017	(375,025)	1,731,892
Deductions:		
Fiscal sponsorship expenses	(611,626)	-
Distributions to beneficiaries	(401,149)	(656,813)
Administration fee paid to the Foundation	(81,453)	(79,167)
Transfer to the Foundation	-	(273,152)
Balance, end of year	$ 14,119,070	$ 13,646,915

NOTE H – FAIR VALUE MEASUREMENTS

U.S. generally accepted accounting principles establish a framework for measuring fair value. The framework 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). 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 Foundation 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.

NOTE H – FAIR VALUE MEASUREMENTS – CONTINUED

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2018.

Marketable Securities, Fixed Income, and Real Assets:

Level 1 Fair value determined using quoted prices of securities held in active markets at year-end.

Level 2 Fair value determined using quoted prices for similar assets for substantially the full term through corroboration with observable market data.

Level 3 Fair value determined using unobservable inputs as determined in good faith by the investment manager of each investment.

Real Estate: Fair value determined based on comparable land values.

Remainder Trust Assets: Fair value determined using net asset value of quoted prices of securities held in active markets at year-end, as well as the present values of future cash flows, based on the Foundation's ownership percentage of the fair value of the remainder trust assets.

Remainder Trust Liabilities: Fair value determined as the present values of future cash outflows, based on the Foundation's ownership percentage of the fair value of the remainder trust assets.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE H – FAIR VALUE MEASUREMENTS – CONTINUED

Assets/Liabilities at Fair Value as of December 31, 2018

	Level 1	Level 2	Level 3	Investments at NAV*	Total
Marketable securities	$ 33,901,789	$ 5,990,756	$ -	$ -	$ 39,892,545
Fixed income	9,557,531	-	-	1,431,023	10,988,554
Multi strategy funds	-	-	-	8,341,288	8,341,288
Real assets	4,211,602	-	-	9,892,488	14,104,090
Private equity	-	-	-	8,279,223	8,279,223
Real estate	-	270,001	-	-	270,001
Remainder trust assets	2,606,961	249,335	-	-	2,856,296
Remainder trust liabilities	(2,052,935)	(249,335)	-	-	(2,302,270)
	$ 48,224,948	$ 6,260,757	$ -	$ 27,944,022	$ 82,429,727

Assets/Liabilities at Fair Value as of December 31, 2017

	Level 1	Level 2	Level 3	Investments at NAV*	Total
Marketable securities	$ 37,596,185	$ 6,440,271	$ -	$ -	$ 44,036,456
Fixed income	10,458,417	-	-	1,778,434	12,236,851
Multi strategy funds	-	-	-	9,107,006	9,107,006
Real assets	3,879,528	-	-	4,923,809	8,803,337
Private equity	-	-	-	6,648,903	6,648,903
Real estate	-	270,001	-	-	270,001
Remainder trust assets	3,085,265	244,491	-	-	3,329,756
Remainder trust liabilities	(2,468,942)	(244,491)	-	-	(2,713,433)
	$ 52,550,453	$ 6,710,272	$ -	$ 22,458,152	$ 81,718,877

*Investments for which fair value is measured using net asset value per share (or its equivalent) as a practical expedient are not categorized within the fair value hierarchy. The fair value presented in the table is intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Consolidated Statements of Financial Position.

NOTE H – FAIR VALUE MEASUREMENTS – CONTINUED

The following table sets forth additional disclosures of the Foundation's investments whose fair value is estimated using net asset value per share as of December 31:

2018	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Private equity funds:				
TIFF 06	$ 231,445	$ 255,000	Ineligible	
TIFF 07	405,525	80,000	Ineligible	
TIFF 08	919,382	115,000	Ineligible	
TIFF 10	702,958	150,000	Ineligible	
Total TIFF	2,259,310	600,000		
Common Fund Int. VI	159,327	33,750	Ineligible	
Common Fund VII	313,202	41,500	Ineligible	
Common Fund Int. VII	453,652	64,500	Ineligible	
Common Fund VIII	220,345	10,000	Ineligible	
Common Fund IX	887,551	30,000	Ineligible	
Total Common Fund	2,034,077	179,750		
Pantheon Global Fund IV	1,224,759	1,783,438	Ineligible	
Audax Private Equity Fund V	1,416,608	619,451	Ineligible	
Audax Private Equity Fund VI	-	3,000,000	Ineligible	
Blackstone Capital Partners VII	451,663	512,214	Ineligible	
Glouston Private Equity Opportunities IV	284,896	218,000	Ineligible	
Verge II.5X, L.P.	231,782	-	Ineligible	
ABQid Fund I, L.P.	165,487	-	Ineligible	
Tramway Venture Partners	74,598	153,261	Ineligible	
Fixed income funds:				
PIMCO Bravo II	931,023	-	Ineligible	
Homewise	250,000	-	Ineligible	
Partnership for Community Action	250,000	-	Ineligible	
Real assets:				
ASB Allegiance Real Estate Fund	4,506,169	-	Quarterly	30 Day Notice
Invesco U.S. Income Fund	4,445,022	-	Quarterly	35 Day Notice
Quantum	934,809	230,636	Ineligible	
Titan Development Real Estate Fund	136,043	106,250	Ineligible	
Bridge ROC Fund	6,488	-	Ineligible	
Multi strategy funds:				
HG Vora Special Opportunities	2,553,191	-	Annual	90 Day Notice
Aleutian	1,938,642	-	Monthly	90 Day Notice
River Birch International	1,815,022	-	Quarterly	90 Day Notice
Hudson Bay International Fund	1,693,173	-	Quarterly	65 Day Notice
Blackrock Tempus	341,260	-	Semi-Annual	120 Day Notice
	$ 27,944,022	$ 7,403,000		

NOTE H – FAIR VALUE MEASUREMENTS – CONTINUED

2017

	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Private equity funds:				
TIFF 06	$ 260,006	$ 255,000	Ineligible	
TIFF 07	424,441	85,000	Ineligible	
TIFF 08	993,163	115,000	Ineligible	
TIFF 10	742,870	160,000	Ineligible	
Total TIFF	2,420,480	615,000		
Common Fund Int. VI	214,699	46,250	Ineligible	
Common Fund VII	365,396	46,500	Ineligible	
Common Fund Int. VII	407,178	103,250	Ineligible	
Common Fund VIII	250,945	12,500	Ineligible	
Common Fund IX	814,835	33,750	Ineligible	
Total Common Fund	2,053,053	242,250		
Audax Private Equity Fund V	1,095,151	1,017,289	Ineligible	
Glouston Private Equity Opportunities IV	362,116	218,000	Ineligible	
Verge II.5X, L.P.	327,140	-	Ineligible	
Blackstone Capital Partners VII	186,782	694,430	Ineligible	
ABQid Fund I, L.P.	182,073	-	Ineligible	
Tramway Venture Partners	22,108	218,042	Ineligible	
Fixed income funds:				
PIMCO Bravo II	1,528,434	-	Ineligible	
Homewise	250,000	-	Ineligible	
Real assets:				
ASB Allegiance Real Estate Fund	4,044,737	-	Quarterly	30 Day Notice
Quantum	721,310	494,018	Ineligible	
Bridge ROC Fund	157,762	59,682	Ineligible	
Multi strategy funds:				
HG Vora Special Opportunities	2,535,884	-	Annual	90 Day Notice
Aleutian	2,014,650	-	Monthly	90 Day Notice
River Birch International	1,798,522	-	Quarterly	90 Day Notice
Hudson Bay International Fund	1,598,322	-	Quarterly	65 Day Notice
Blackrock Tempus	524,051	-	Semi-Annual	120 Day Notice
Pentwater Event Fund	329,444	-	Monthly	65 Day Notice
Silver Creek	306,133	-	Quarterly	120 Days**
	$ 22,458,152	$ 3,558,711		

NOTE H – FAIR VALUE MEASUREMENTS – CONTINUED

**All redemptions were suspended in December 2008. Redemptions began again in March 2010. Silver Creek commenced redemptions on a pro rata basis, as proceeds are received and excess cash is accumulated.

Private Equity Funds

The investment strategy of the TIFF funds is to assist members in maintaining endowment purchasing power by generating returns greater than those provided by global stock markets. TIFF capital is expected to be allocated primarily among private equity managers pursuing venture, operations-oriented buyout, special situation, and recapitalization strategies. It may make investments in U.S., foreign and global commingled private equity funds.

The investment strategy of the Common Funds is to invest in target funds, which in turn, make investments in the following strategies with the objective of obtaining long-term growth: Venture capital investments primarily in emerging growth companies; International private equity investments primarily in emerging growth companies; Private limited partnerships, which in turn, make investments in equity securities, warrants or other options that are generally not actively traded at the time of investment; Limited partnerships, which in turn, make international private equity investments.

Pantheon Global Co-Investment Opportunities Private Equity Fund: Pantheon acquires minority ownership stakes in companies alongside private equity general partners, known as co-investments. Co-investments do not require operational resources associated with majority ownership, but Pantheon may contribute industry-specific expertise, strategic introductions, or add value in other ways. Pantheon Global Co-Investment Opportunities Fund IV, LP will continue Pantheon's strategy of investing in primarily middle market companies, with a diversified approach to company stage and geography.

Audax Private Equity Fund: Audax Private Equity acquires lower middle market companies as part of a buy and build strategy, bringing both capital and operational resources to bear in creating value, and performing add-on acquisitions for platform companies. Audax Private Equity Fund V, LP and Audax Private Equity Fund VI, LP will continue Audax's strategy of investing in lower middle market companies, employing a buy and build approach to value creation.

Blackstone Capital Partners VII: Blackstone Capital Partners VII will concentrate on making non-control and control-oriented private equity investments globally on a thematic, sector-focused basis. Blackstone takes a value-oriented approach to private equity investing. The team uses a top-down thematic and sector-based process for deal sourcing and focuses only on those potential deals where it believes the Blackstone platform can be used to add value post acquisition by improving the operations of the businesses.

The investment strategy of the Glouston Private Equity Opportunities IV (formerly Permal Capital) fund is capital appreciation through the purchase of existing limited partnership interests in independently managed private equity funds from third parties seeking liquidity prior to the contractual termination of such funds.

NOTE H – FAIR VALUE MEASUREMENTS – CONTINUED

Private Equity Funds – Continued

The investment strategy of Verge II.5X, L.P. is to invest primarily in high-growth ventures which have already received investment from a prior Verge fund, or in which one or more of the Principals of the fund have been involved directly on an operational basis. The Partnership will focus its investment activity in four specific high-technology sectors: cleantech/energy, electronics/instrumentation, human factors and software-as-a-service (SAAS).

The investment strategy of ABQid Fund I, L.P. is to make investments in early-stage, high-growth companies, mainly those who participate in an accelerator program operated by ABQid, Inc., a New Mexico nonprofit corporation. The Accelerator has been created on the belief that there is substantial untapped entrepreneurial potential in the Albuquerque, New Mexico area and that training, support and seed investment are necessary to realize that potential.

Tramway Venture Partners is an early stage fund making equity investments in high return opportunities in health care and the life sciences, primarily in New Mexico. The focus will be business opportunities with products or services that exploit convergent technologies: those that lie at the intersection of physical sciences/information technology with the life sciences and health care.

Fixed Income Funds

The investment strategy of PIMCO Bravo II is to provide long-term returns through a diversified fixed income philosophy. PIMCO attempts to add value through both “top-down” (duration, yield curve posture and sector rotation) and “bottom-up” strategies (individual security analysis). The BRAVO II Fund will continue to capitalize on the ongoing deleveraging by global financial institutions.

The Foundation makes social impact investments in the form of repayable loans that support grant-making programs in New Mexico. Two loans are outstanding for $500,000 at December 31, 2018 and one loan is outstanding for $250,000 at December 31, 2017. The interest rates are 3% and 2%, and the principal amounts are scheduled to be paid in full to the Foundation by the maturity dates of October 2022 and December 2024. The Foundation records a reserve for potentially uncollected loans based on historical experience. No loss reserve has been recorded as of December 31, 2018 and 2017. Any costs of making loans are expensed as incurred.

Real Assets

ASB Allegiance Real Estate Fund is an open-ended core real estate fund which targets coastal metropolitan regions supplemented by exposure to a small targeted group of dynamic and economically diverse interior US cities. Properties will be mostly in urban settings of 24-hour cities with high barriers to entry with limited available land for development and where the property is in a high-density populated area near multiple modes of transportation.

NOTE H – FAIR VALUE MEASUREMENTS – CONTINUED

Real Assets – Continued

Invesco U.S. Income Fund: The Invesco U.S. Income Fund is a core-plus, income-focused, open-end real estate fund with the objective of generating consistent and predictable performance and avoiding capital loss, while increasing the opportunity for capital appreciation.

The investment strategy of Quantum is to invest the majority of Fund capital in the upstream oil and gas sector but will make opportunistic investments across the value chain. This includes midstream infrastructure, oil and gas service companies, and power generation. Quantum will typically make control investments in its portfolio companies, with an investment size range of $100 to $400 million.

Titan Development Real Estate Fund is designed to create development in high growth secondary and tertiary markets. Their strategy is to develop best-in-class assets, lease up to 90% stabilization and sell, returning capital to investors. Their primary asset classes are multifamily, self-storage, senior living and industrial.

Bridge ROC Fund: Bridge Investment Group Partners seek to buy attractively priced real estate to which it can add value and realize significant returns to investors. Bridge will invest across the United States and will focus its efforts primarily on assets in the multi-family and office sectors, but will also opportunistically invest in other sectors, such as retail hospitality.

Multi Strategy Funds

HG Vora Special Opportunities Fund: HG Vora seeks value investments where the team's experience and industry knowledge can provide an advantage in understanding companies with leveraged capital structures or undergoing complex situations and establish long and short positions in both the debt and equity of those companies.

Aleutian Fund: Aleutian's sole focus is managing a market neutral long/short equity strategy through a multi-portfolio manager approach. Each portfolio manager runs a sector/strategy-focused, beta-neutral sub-portfolio. While the majority of risk comes from fundamental long/short equity strategies, the Fund can opportunistically allocate to other strategies, such as convertible arbitrage, risk arbitrage, and volatility, based on the perceived attractiveness.

River Birch International: River Birch invests primarily in corporate credit situations with the philosophy of a globally-focused investment and trading firm. The firm will invest across all levels of the capital structure in high yield and investment grade debt, distressed loans and bonds, special situations, and corporate structured credit. The portfolio aims to isolate credit risk, and as such, hedges out currency and interest rate risk, leading to a portfolio that is agnostic to overall interest rate and foreign exchange movements.

Hudson Bay International Fund: Hudson Bay's strategy is focused on generating investment returns that are uncorrelated to equity and debt markets, through managing capital across an array of investment strategies that are hedged and exhibit low correlations to each other. Hudson Bay allocates capital across a wide variety of trades, within strategies such as event-driven equity, convertible arbitrage, volatility trading, and credit trading.

NOTE H – FAIR VALUE MEASUREMENTS – CONTINUED

Multi Strategy Funds – Continued

BlackRock Tempus: The BlackRock Tempus Fund seeks to exploit intermediate-term opportunities that straddle the public and private markets and invests primarily through custom fund structures that BlackRock establishes with underlying managers.

Pentwater Event Fund: The firm specializes in event-driven trading, with a bias toward equities. The Event Fund is Pentwater's flagship fund; it is agnostic to equity and debt investments and is willing to take on less liquid credit investments, though these are limited in size by the manager's risk limits.

Silver Creek: Silver Creek has put an emphasis on creating a portfolio of managers displaying low correlations with each other and diversification of styles. The principal belief behind portfolio diversification is that proper manager and strategy diversification smooths investment returns while mitigating risk.

NOTE I – ENDOWMENT FUNDS

1. Net Asset Classification

In 2009, the State of New Mexico enacted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). Accordingly, in 2009 the Foundation adopted U.S. generally accepted accounting principles as they relate to net asset classification of funds subject to an enacted version of UPMIFA. The Board of Trustees has determined that the majority of the Foundation's net assets meet the definition of endowment funds under UPMIFA.

The Foundation is governed by the Articles of Incorporation and most contributions are received subject to the terms of the Articles of Incorporation. Under the terms of the Articles of Incorporation, which delegates the distributions of funds to the Investment Committee in its Investment Policies and Procedures, the Board of Trustees has the ability to distribute so much of the corpus of any trust or separate gift, devise, bequest, or fund as the Board in its sole discretion shall determine. In accordance with UPMIFA and as described in the Foundation's Investment Policy, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

a. The duration and preservation of the fund
b. The purposes of the organization and the donor-restricted endowment fund
c. General economic conditions
d. The possible effect of inflation and deflation
e. The expected total return from income and the appreciation of investments
f. Other resources of the organization
g. The investment policies of the organization

NOTE I – ENDOWMENT FUNDS – CONTINUED

As a result of the ability to distribute corpus, the Board of Trustees has determined that all contributions received subject to the Articles of Incorporation are subject to UPMIFA and are classified as net assets with donor restrictions until appropriated, at which time the appropriation is reclassified to net assets without donor restrictions. Funds that can be spent down immediately and that are not subject to the Foundation's spending policy are classified as net assets without donor restrictions. Contributions that are subject to other gift instruments may be recorded as net assets with donor restrictions (temporary in nature or in perpetuity) or net assets without donor restrictions, depending on the specific terms of the agreement.

Generally, if the corpus of a contribution will at some future time become available for spending it is recorded as net assets with donor restrictions temporary in nature. In addition, contributions that are promised to be given in a future period are presented as net assets with donor restrictions until the payments are received.

2. Endowment Investment and Spending Policies

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 and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes.

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

The spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds for grant making and administration. The spending policy for 2018 and 2017 is to distribute 4% of the time-weighted average balance of each fund for the previous twenty quarters calculated as of December 31. If a fund does not have historical fund balances for twenty quarters then it shall instead use the total number of historical fund balances that it has. Generally, a fund must have a minimum of four historical quarters before a distribution is made. The time-weighted average will be computed by averaging the funds' monthly ending balances, after allocation of income, gains and fees, during each quarter, and then averaging the quarter ending balances. Donor advised and organization fund agreements allow additional distributions above the spending policy rates for each respective year with certain conditions as detailed in the agreements.

NOTE I – ENDOWMENT FUNDS – CONTINUED

Endowment Net Asset Composition by Type of Fund as of December 31, 2018

	Without Donor Restriction	With Donor Restriction	Total
Donor advised funds	$ 27,675,784	$ 2,799,209	$ 30,474,993
Field of interest funds	-	17,136,864	17,136,864
Donor designated organization funds	-	11,714,263	11,714,263
Student aid funds	-	6,440,284	6,440,284
Board directed funds	3,802,296	-	3,802,296
	$ 31,478,080	$ 38,090,620	$ 69,568,700

Changes in Endowment Net Assets for the Year Ended December 31, 2018

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, beginning of year	$ 31,714,406	$ 35,754,645	$ 67,469,051
Contributions	3,426,492	1,704,562	5,131,054
Transfers from other funds	47,329	15,150	62,479
Interest and dividends	562,570	579,501	1,142,071
Net depreciation	(1,249,083)	(1,302,077)	(2,551,160)
Reclassifications	3,396	2,983,342	2,986,738
Amounts appropriated for expenditure	(3,027,030)	(1,644,503)	(4,671,533)
Changes in endowment net assets	(236,326)	2,335,975	2,099,649
Endowment net assets, end of year	$ 31,478,080	$ 38,090,620	$ 69,568,700

Endowment Net Asset Composition by Type of Fund as of December 31, 2017
(As Restated)

	Without Donor Restriction	With Donor Restriction	Total
Donor advised funds	$ 27,853,178	$ 2,609,393	$ 30,462,571
Field of interest funds	-	15,880,589	15,880,589
Donor designated organization funds	-	12,267,476	12,267,476
Student aid funds	-	4,997,187	4,997,187
Board directed funds	3,861,228	-	3,861,228
	$ 31,714,406	$ 35,754,645	$ 67,469,051

NOTE I – ENDOWMENT FUNDS – CONTINUED

Changes in Endowment Net Assets for the Year Ended December 31, 2017 (As Restated)

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, beginning of year	$ 20,233,535	$ 32,014,100	$ 52,247,635
Contributions	10,615,709	822,009	11,437,718
Transfers from other funds	190,381	558,460	748,841
Interest and dividends	355,187	389,690	744,877
Net appreciation	3,115,114	3,686,577	6,801,691
Reclassifications	(193,769)	133,307	(60,462)
Transfers to other funds	(191,383)	(25,000)	(216,383)
Amounts appropriated for expenditure	(2,410,368)	(1,824,498)	(4,234,866)
Changes in endowment net assets	11,480,871	3,740,545	15,221,416
Endowment net assets, end of year	$ 31,714,406	$ 35,754,645	$ 67,469,051

NOTE J – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at December 31:

	2018	(As Restated) 2017
Subject to specified purpose:		
Field of interest funds	$ 17,136,864	$ 15,880,589
Donor designated organization funds	11,714,263	12,267,476
Student aid funds	6,440,284	4,997,187
Donor advised funds	2,799,209	2,609,393
Pass-through funds	567,571	482,318
Operating fund	31,444	121,923
Undesignated donor restricted	71,397	70,154
	38,761,032	36,429,040
Subject to the passage of time:		
Bequest receivables	3,989,750	3,000,000
Charitable remainder trusts	554,026	616,323
	4,543,776	3,616,323
Perpetual in nature:		
Champion building	544,000	544,000
	$ 43,848,808	$ 40,589,363

NOTE J – NET ASSETS WITH DONOR RESTRICTIONS – CONTINUED

Pledge receivables on the statement of financial position include $75,000 of amounts contributed to liabilities for assets held for other organizations which are not included in the net assets with donor restricted balance.

The following net assets with donor restrictions were released from donor restrictions by the fulfillment of program and passage of time restrictions as of December 31:

	2018	(As Restated) 2017
Expiration of time restrictions	$ 121,923	$ 291,407
Satisfaction of purpose restrictions:		
Grant distributions	1,998,036	2,675,634
Management fees	500,849	435,923
Other expenses	110,903	53,290
Investment consulting fees	90,511	57,258
	$ 2,822,222	$ 3,513,512

NOTE K – COMMITMENTS

1. Leases

The Foundation currently leases certain equipment under various operating leases. The equipment lease agreements expire at various times through April 2022. Future minimum lease payments follow:

2019	$ 11,206
2020	8,914
2021	8,914
2022	2,229
	$ 31,263

Lease expense was $13,882 and $11,543 for the years ended December 31, 2018 and 2017, respectively.

2. Major Contributors

For the year ended December 31, 2018, the Foundation received contributions totaling $6,584,811 from four major contributors. For the year ended December 31, 2017, the Foundation received contributions totaling $11,531,483 from thirteen major contributors.

NOTE K – COMMITMENTS – CONTINUED

3. Retirement Plans

In 2013, the Foundation established the Albuquerque Community Foundation 401(k) Profit Sharing Plan. The Plan is a self-administered Safe Harbor plan and allows for additional discretionary and matching employer contributions. The discretionary contributions follow a six-year vesting schedule. Participants must be 21 years of age and have one year of service. Contributions to this Plan were $31,402 and $26,027 for the years ended December 31, 2018 and 2017, respectively.

NOTE L – RELATED PARTY TRANSACTIONS

Various Board members or their companies donate to the Foundation in the form of contributions, in-kind goods or services, grants, and sponsorships. The amounts are recorded at fair value on the date of donation and reflected as either net assets without donor restrictions or net asset with donor restrictions based on the nature of the gift.

NOTE M – PRIOR PERIOD ADJUSTMENT

During 2018, the Foundation adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements for Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the consolidated financial statements and notes about a not-for profit entity's liquidity, financial performance, and cash flows. The main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restrictions when the associated long-lived asset is placed in service; recognition of underwater endowment funds as a reduction in net assets with donor restrictions; and reporting investment income net of external and direct internal investment expenses. The guidance also enhances disclosures for board designated amounts, compositions of net assets with donor restrictions and how the restrictions affect the use of resources, qualitative and quantitative information about the liquidity and availability of financial assets to meet general expenditures within one year of the balance sheet date, expenses by both their natural and functional classification, including methods used to allocate costs among program and support functions and underwater endowments.

NOTE M – PRIOR PERIOD ADJUSTMENT – CONTINUED

The changes have the following effect on net assets at December 31, 2016:

Net asset classification	As previously presented	After adoption of ASU 2016-14
Unrestricted net assets	$ 22,757,344	$
Temporarily restricted net assets	32,492,651	
Permanently restricted net assets	544,000	
Net assets without donor restrictions		22,249,320
Net assets with donor restrictions		33,514,630
Total net assets	$ 55,793,995	$ 55,763,950

Additionally, reclassifications from net assets without donor restrictions to net assets with donor restrictions of $508,024 and from net assets with donor restrictions to liabilities for assets held for other organizations of $30,045 were made to more appropriately present net assets with donor restrictions.

NOTE N – NEW ACCOUNTING STANDARDS

1. The Financial Accounting Standards Board (FASB) has issued Accounting Standards Update (ASU) 2014-09, (Topic 606) *Revenue from Contracts with Customers,* along with several subsequent ASUs that are designed to develop a common revenue standard for U.S. GAAP and international standards. The core principle of these ASUs is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Steps to apply the core principle are as follows:

1. Identify the contract(s) with the customer
2. Identify the separate performance obligations
3. Determine the transaction price
4. Allocate the transaction price
5. Recognize revenue when a performance obligation is satisfied

Several new disclosures will also be required to include sufficient information to enable users of the financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. This ASU will be effective for annual periods beginning after December 15, 2018.

NOTE N – NEW ACCOUNTING STANDARDS – CONTINUED

2. In February 2016, the Financial Accounting Standards Board issued ASU 2016-02 *Leases* (FASB Codification Topic 842) which significantly changes the accounting for leases in the financial statements of lessees and supersedes FASB Codification Topic 840. With this update, GAAP now will require lessees under operating leases to recognize a liability in the statement of financial position (balance sheet) and an asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting election not to recognize lease assets and lease liabilities. If a lessee makes this election, it should recognize lease expense for such leases generally on a straight-line basis over the lease term. Cash flows related to operating leases will continue to be reported within operating activities on the statement of cash flows. This ASU is effective for fiscal years beginning after December 15, 2019.

3. In November 2016, the FASB issued ASU 2016-18 *Restricted Cash* which requires that the statements of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Under this standard, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statements of cash flows. This ASU is effective for fiscal years beginning after December 15, 2018, but early adoption is permitted.

4. In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities* (FASB Codification Topic 958) to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this update clarify the criteria for evaluating whether transactions should be accounted for as contributions or as exchange transactions and determining whether a contribution is conditional.

The amendments in this ASU are effective for annual financial statements issued for fiscal years beginning after December 15, 2018, with respect to contributions received and fiscal years beginning after December 15, 2019, with respect to contributions made. Early adoption is permitted.

As of the date of these financial statements, management has evaluated these new ASUs and is working to implement the applicable guidance and requirements in the period the ASUs become effective.

SUPPLEMENTARY INFORMATION

Albuquerque Community Foundation and Subsidiaries

CONSOLIDATING STATEMENTS OF FINANCIAL POSITION

December 31, 2018

ASSETS

	Albuquerque Community Foundation	ACF Holdings, LLC	The Historic Champion Grocery Building, LLC	Eliminating Entries	Total
ASSETS					
Cash and cash equivalents	$ 3,224,705	$ 5,000	$ 17,039	$ -	$ 3,246,744
Investments	81,875,701	-	-	-	81,875,701
Pledge receivables	106,444	-	-	-	106,444
Bequest receivables	3,989,750	-	-	-	3,989,750
Intercompany receivable	247,032	-	-	(247,032)	-
Notes receivable	-	42,032	-	-	42,032
Prepaid expenses	38,873	-	-	-	38,873
Property held-for-sale	-	205,000	-	-	205,000
Other assets	127,855	-	-	-	127,855
Beneficial interest in charitable remainder trusts	2,856,296	-	-	-	2,856,296
Property and equipment, net	36,909	-	1,583,360	-	1,620,269
Total assets	$ 92,503,565	$ 252,032	$ 1,600,399	$ (247,032)	$ 94,108,964

LIABILITIES AND NET ASSETS

	Albuquerque Community Foundation	ACF Holdings, LLC	The Historic Champion Grocery Building, LLC	Eliminating Entries	Total
LIABILITIES					
Accounts payable and accrued expenses	$ 89,627	$ -	$ -	$ -	$ 89,627
Grants payable	55,000	-	-	-	55,000
Unrelated business income tax payable	-	-	-	-	-
Intercompany payable	-	247,032	-	(247,032)	-
Charitable remainder trusts	2,302,270	-	-	-	2,302,270
Liabilities for assets held for community organizations	14,119,070	-	-	-	14,119,070
Total liabilities	16,565,967	247,032	-	(247,032)	16,565,967
COMMITMENTS	-	-	-	-	-
NET ASSETS					
Without donor restrictions	32,637,790	-	1,056,399	-	33,694,189
With donor restrictions	43,299,808	5,000	544,000	-	43,848,808
Total net assets	75,937,598	5,000	1,600,399	-	77,542,997
Total liabilities and net assets	$ 92,503,565	$ 252,032	$ 1,600,399	$ (247,032)	$ 94,108,964

CONSOLIDATING STATEMENTS OF FINANCIAL POSITION – CONTINUED

December 31, 2017, As Restated

ASSETS

	Albuquerque Community Foundation	ACF Holdings, LLC	The Historic Champion Grocery Building, LLC	Eliminating Entries	Total
ASSETS					
Cash and cash equivalents	$ 1,749,666	$ 5,000	$ 17,039	$ -	$ 1,771,705
Investments	81,102,554	-	-	-	81,102,554
Pledge receivables	121,923	-	-	-	121,923
Bequest receivables	3,000,000	-	-	-	3,000,000
Intercompany receivable	42,300	-	-	(42,300)	-
Prepaid expenses	25,620	-	-	-	25,620
Property held-for-sale	-	42,300	-	-	42,300
Other assets	173,933	-	-	-	173,933
Beneficial interest in charitable remainder trusts	3,329,756	-	-	-	3,329,756
Property and equipment, net	48,743	-	1,658,712	-	1,707,455
Total assets	$ 89,594,495	$ 47,300	$ 1,675,751	$ (42,300)	$ 91,275,246

LIABILITIES AND NET ASSETS

	Albuquerque Community Foundation	ACF Holdings, LLC	The Historic Champion Grocery Building, LLC	Eliminating Entries	Total
LIABILITIES					
Accounts payable and accrued expenses	$ 67,264	$ -	$ -	$ -	$ 67,264
Grants payable	244,700	-	-	-	244,700
Unrelated business income taxes payable	6,916	-	-	-	6,916
Intercompany payable	-	42,300	-	(42,300)	-
Charitable remainder trusts	2,713,433	-	-	-	2,713,433
Liabilities for assets held for community organizations	13,646,915	-	-	-	13,646,915
Total liabilities	16,679,228	42,300	-	(42,300)	16,679,228
COMMITMENTS	-	-	-	-	-
NET ASSETS					
Without donor restriction	32,874,904	-	1,131,751	-	34,006,655
With donor restriction	40,040,363	5,000	544,000	-	40,589,363
Total net assets	72,915,267	5,000	1,675,751	-	74,596,018
Total liabilities and net assets	$ 89,594,495	$ 47,300	$ 1,675,751	$ (42,300)	$ 91,275,246

CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2018

	Albuquerque Community Foundation	ACF Holdings, LLC	The Historic Champion Grocery Building, LLC	Eliminating Entries	Total
SUPPORT					
Contributions	$ 3,905,984	$ -	$ -	$ -	$ 3,905,984
Dividends and interest	563,293	-	-	-	563,293
Other income	116,394	-	-	-	116,394
Special events, net	28,720	-	-	-	28,720
In-kind contributions	3,579	-	-	-	3,579
Loss on investments and property held-for-sale	(1,453,979)	-	-	-	(1,453,979)
Total revenue and support	3,163,991	-	-	-	3,163,991
Net assets released from restrictions	2,822,222	-	-	-	2,822,222
EXPENSES					
Program:					
Distributions and grants	4,549,333	-	-	-	4,549,333
Community outreach	827,420	-	40,286	-	867,706
Support:					
Management and general	705,674	-	27,053	-	732,727
Fundraising	140,900	-	8,013	-	148,913
Total expenses	6,223,327	-	75,352	-	6,298,679
Changes in net assets without donor restrictions	(237,114)	-	(75,352)	-	(312,466)
Net assets without donor restrictions, beginning of year	32,874,904	-	1,131,751	-	34,006,655
Net assets without donor restrictions, end of year	$ 32,637,790	$ -	$ 1,056,399	$ -	$ 33,694,189

CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS – CONTINUED

Year Ended December 31, 2018

	Albuquerque Community Foundation	ACF Holdings, LLC	The Historic Champion Grocery Building, LLC	Eliminating Entries	Total
WITH DONOR RESTRICTIONS REVENUE AND SUPPORT					
Contributions	$ 6,688,113	$ -	$ -	$ -	$ 6,688,113
Dividends and interest	581,673	-	-	-	581,673
Special events, net	166,124	-	-	-	166,124
In-kind contributions	13,383	-	-	-	13,383
Change in value of charitable remainder trust agreements	(61,925)	-	-	-	(61,925)
Loss on investments	(1,305,701)	-	-	-	(1,305,701)
Total revenue and support	6,081,667	-	-	-	6,081,667
Net assets released from restrictions	(2,822,222)	-	-	-	(2,822,222)
Changes in net assets with donor restrictions	3,259,445	-	-	-	3,259,445
Net assets with donor restrictions, beginning of year	40,040,363	5,000	544,000	-	40,589,363
Net assets with donor restrictions, end of year	$ 43,299,808	$ 5,000	$ 544,000	$ -	$ 43,848,808

CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS – CONTINUED

Year Ended December 31, 2017 (As Restated)

	Albuquerque Community Foundation	ACF Holdings, LLC	The Historic Champion Grocery Building, LLC	Eliminating Entries	Total
SUPPORT					
Contributions	$ 10,793,674	$ -	$ 3,191	$ -	$ 10,796,865
Gain on investments and property held-for-sale, net of unrelated business income taxes	3,327,680	-	-	-	3,327,680
Dividends and interest	357,039	-	-	-	357,039
Other income	111,486	-	-	-	111,486
Special events, net	21,691	-	-	-	21,691
In-kind contributions	9,518	-	-	-	9,518
Total revenue and support	14,621,088	-	3,191	-	14,624,279
Net assets released from restrictions	3,469,408	-	44,104	-	3,513,512
EXPENSES					
Program:					
Distributions and grants	4,798,232	-	-	-	4,798,232
Community outreach	794,406	-	47,701	-	842,107
Support:					
Management and general	571,208	-	28,244	-	599,452
Fundraising	131,112	-	9,553	-	140,665
Total expenses	6,294,958	-	85,498	-	6,380,456
Changes in net assets without donor restrictions	11,795,538	-	(38,203)	-	11,757,335
Net assets without donor restrictions, beginning of year, as previously stated	21,682,127	-	1,075,217	-	22,757,344
Prior period adjustment	(508,024)	-	-	-	(508,024)
Net assets without donor restrictions, beginning of year, as restated	21,174,103	-	1,075,217	-	22,249,320
Net asset transfer from Albuquerque Community Foundation	(94,737)	-	94,737	-	-
Net assets without donor restrictions, end of year	$ 32,874,904	$ -	$ 1,131,751	$ -	$ 34,006,655

CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS – CONTINUED

Year Ended December 31, 2017 (As Restated)

	Albuquerque Community Foundation	ACF Holdings, LLC	The Historic Champion Grocery Building, LLC	Eliminating Entries	Total
WITH DONOR RESTRICTIONS REVENUE AND SUPPORT					
Contributions	$ 5,893,767	$ -	$ 84	$ -	$ 5,893,851
Gain on investments, net of unrelated business income taxes	3,683,607	-	-	-	3,683,607
Dividends and interest	389,903	-	-	-	389,903
Special events, net	207,285	-	-	-	207,285
Change in value of charitable remainder trust agreements	135,063	-	-	-	135,063
In-kind contributions	5,384	-	-	-	5,384
Total revenue and support	10,315,009	-	84	-	10,315,093
Net assets released from restrictions	(3,469,408)	-	(44,104)	-	(3,513,512)
Changes in net assets with donor restrictions	6,845,601	-	(44,020)	-	6,801,581
Net assets without donor restrictions, beginning of year, as previously stated	32,434,729	13,902	588,020	-	33,036,651
Prior period adjustment	477,979	-	-	-	477,979
Net assets without donor restrictions, beginning of year, as restated	32,912,708	13,902	588,020	-	33,514,630
Net asset transfer from ACF Holdings, LLC	8,902	(8,902)	-	-	-
Transfer from community organization	273,152	-	-	-	273,152
Net assets with donor restrictions, end of year	$ 40,040,363	$ 5,000	$ 544,000	$ -	$ 40,589,363

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