

Princeton Area Community Foundation, Inc.
Financial Statements
December 31, 2024 and 2023
With Independent Auditor's Report

Princeton Area Community Foundation, Inc.
Table of Contents
December 31, 2024 and 2023

Independent Auditor's Report	1
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	20
Schedule of Expenditures of State Financial Assistance	22
Schedule of Findings and Questioned Costs	23

Independent Auditor's Report

To the Board of Trustees of
Princeton Area Community Foundation, Inc.:

Opinion

We have audited the financial statements of Princeton Area Community Foundation, Inc. (the "Community Foundation"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Princeton Area Community Foundation, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Princeton Area Community Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Community Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Community Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplementary Information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2025 on our consideration of Princeton Area Community Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Princeton Area Community Foundation, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Princeton Area Community Foundation, Inc.'s internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Withum Smith & Brown, PC".

November 5, 2025

Princeton Area Community Foundation, Inc.
Statements of Financial Position
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	\$ 26,823,977	\$ 23,522,935
Contributions receivable	8,574,420	11,752,887
Investments	240,125,611	232,603,905
Prepaid expenses	96,760	126,567
Beneficial interest in split interest agreements	367,169	328,277
Deposits	54,000	54,000
Right-of-use assets - operating, net	3,230,595	3,466,104
Property and equipment, net	337,546	386,619
Total assets	\$ 279,610,078	\$ 272,241,294
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 130,401	\$ 145,036
Promises to give payable	9,012,090	2,315,105
Operating lease liability	3,294,625	3,479,184
Funds held for others	80,169,272	78,006,728
Total liabilities	92,606,388	83,946,053
Net assets		
Without donor restrictions		
Board designated long-term grant funds	61,785,986	52,422,940
Other grant funds	105,512,209	114,385,264
Operating funds	10,763,906	9,405,873
	178,062,101	176,214,077
Net assets with donor restrictions	8,941,589	12,081,164
Total net assets	187,003,690	188,295,241
Total liabilities and net assets	\$ 279,610,078	\$ 272,241,294

The Notes to Financial Statements are an integral part of these statements.

Princeton Area Community Foundation, Inc.
Statements of Activities and Changes in Net Assets
Years Ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues						
Contributions	\$ 12,483,370	\$ 3,228,000	\$ 15,711,370	\$ 11,543,958	\$ 11,588,020	\$ 23,131,978
Net investment return	19,275,685	-	19,275,685	17,619,114	-	17,619,114
Other income	468,150	-	468,150	448,559	-	448,559
Change in value of split interest agreements	-	38,892	38,892	-	36,477	36,477
Net assets released from restriction	6,406,467	(6,406,467)	-	1,478,372	(1,478,372)	-
	38,633,672	(3,139,575)	35,494,097	31,090,003	10,146,125	41,236,128
Expenses						
Program services	34,408,737	-	34,408,737	17,508,897	-	17,508,897
Management and general	1,146,199	-	1,146,199	860,278	-	860,278
Fundraising	1,230,712	-	1,230,712	1,123,191	-	1,123,191
Total	36,785,648	-	36,785,648	19,492,366	-	19,492,366
Changes in net assets	1,848,024	(3,139,575)	(1,291,551)	11,597,637	10,146,125	21,743,762
Net assets						
Beginning of year	176,214,077	12,081,164	188,295,241	164,616,440	1,935,039	166,551,479
End of year	<u>\$ 178,062,101</u>	<u>\$ 8,941,589</u>	<u>\$ 187,003,690</u>	<u>\$ 176,214,077</u>	<u>\$ 12,081,164</u>	<u>\$ 188,295,241</u>

The Notes to Financial Statements are an integral part of these statements.

Princeton Area Community Foundation, Inc.
Statements of Functional Expenses
Years Ended December 31, 2024 and 2023

	2024				2023			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Grant expense	\$32,410,572	\$ -	\$ -	\$32,410,572	\$15,594,722	\$ -	\$ -	\$15,594,722
Salaries and wages	1,063,688	504,305	701,917	2,269,910	1,048,341	385,105	706,026	2,139,472
Employee benefits and payroll taxes	247,864	117,515	163,563	528,942	222,755	81,829	150,019	454,603
Professional services	225,267	314,896	-	540,163	245,170	222,819	-	467,989
Occupancy	-	2,776	-	2,776	3,703	3,146	2,494	9,343
Lease expense	195,403	92,642	128,944	416,989	90,172	33,124	60,728	184,024
Insurance	10,413	4,937	6,871	22,221	10,904	4,006	7,344	22,254
Information technology	79,744	37,807	52,622	170,173	124,046	45,567	83,540	253,153
Travel	5,532	931	1,296	7,759	5,056	741	1,358	7,155
Office expense	15,713	50,865	20,767	87,345	29,374	75,228	18,084	122,686
Marketing	86,005	-	127,557	213,562	80,615	-	77,625	158,240
Membership dues and subscriptions	26,974	391	544	27,909	31,090	283	518	31,891
Training, conferences and events	8,932	3,664	5,099	17,695	13,589	4,992	9,152	27,733
Depreciation	32,630	15,470	21,532	69,632	9,360	3,438	6,303	19,101
	<u>\$34,408,737</u>	<u>\$ 1,146,199</u>	<u>\$ 1,230,712</u>	<u>\$36,785,648</u>	<u>\$17,508,897</u>	<u>\$ 860,278</u>	<u>\$ 1,123,191</u>	<u>\$19,492,366</u>

The Notes to Financial Statements are an integral part of these statements.

Princeton Area Community Foundation, Inc.
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Operating activities		
Changes in net assets	\$ (1,291,551)	\$ 21,743,762
Adjustments to reconcile changes in net assets to net cash used in operating activities		
Unrealized/realized gains on investments	(17,513,578)	(22,319,770)
Change in value of split interest agreements	(38,892)	(36,477)
Depreciation expenses	69,632	19,101
Amortization of right of use asset - operating	235,509	57,693
Changes in operating assets and liabilities		
Contributions receivable	3,178,467	(10,109,649)
Prepaid expenses	29,807	6,098
Deposits	-	(43,875)
Accounts payable and accrued expenses	(14,635)	82,371
Funds held for others - net change	2,162,544	5,664,397
Promises to give payable	6,696,985	1,091,052
Operating lease liability	(184,559)	(44,613)
Net cash used in operating activities	<u>(6,670,271)</u>	<u>(3,889,910)</u>
Investing activities		
Acquisition of property and equipment	(20,559)	(397,814)
Sale of investments	36,189,325	15,194,319
Purchase of investments	(26,197,453)	(16,423,134)
Net cash provided by (used in) investing activities	<u>9,971,313</u>	<u>(1,626,629)</u>
Net change in cash and cash equivalents	3,301,042	(5,516,539)
Cash and cash equivalents		
Beginning of year	23,522,935	29,039,474
End of year	<u><u>\$ 26,823,977</u></u>	<u><u>\$ 23,522,935</u></u>
Supplemental disclosure of cash flow information		
There were no amounts paid for interest or income taxes for the years ended December 31, 2024 and 2023.		
Noncash financing activities		
Right-of-use assets obtained through operating lease liability	\$ -	\$ 3,523,797
Operating lease liability	<u>\$ -</u>	<u>\$ (3,523,797)</u>

The Notes to Financial Statements are an integral part of these statements.

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

1. Nature of Organization

Princeton Area Community Foundation, Inc. (the "Community Foundation") is a New Jersey not-for-profit corporation, located in Mercer County, organized and incorporated in 1991. Its primary purpose is to encourage philanthropy as an important community value and activity. The Community Foundation is a philanthropic fund which supports charitable giving through education, grant making, and by creating a network of donors, professional advisors, and not-for-profit organizations to increase and improve the effectiveness of giving in the region. Significant sources of revenue are received from contributions and investment income. The Community Foundation accepts funds from unrelated nonprofit organizations who desire to have the Community Foundation provide efficient investment management, programmatic expertise, and technical assistance.

2. Summary of Significant Accounting Policies

a. Basis of Presentation

The financial statements have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"). Financial reporting by not-for-profit organizations requires that resources be classified for accounting and reporting purposes into net asset categories according to externally (donor) imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expensed for any purpose in performing the primary objectives of the Community Foundation. These net assets may be used at the discretion of the Community Foundation's management and Board of Trustees. In addition, net assets without donor restrictions include board designated endowment funds.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds must be maintained in perpetuity. The Community Foundation had no net assets with donor restrictions that were required to be held in perpetuity at December 31, 2024 and 2023.

b. Revenue Recognition

The Community Foundation recognizes contributions, including unconditional promises to give, as revenue in the period received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return or release, are not recognized in revenue until the conditions on which they depend have been substantially met. Contributions, net assets and changes therein are classified and reported based on the existence or absence of donor-imposed restrictions. Revenue from government and private grant and contract agreements, which are generally considered non-exchange transactions, is recognized when qualifying expenditures are incurred and conditions under the agreements are met. Grant funds received in advance of the expenditures incurred are recorded as grant advances payable. Grant funds expended in advance of reimbursement from the funding source are classified as grants and contracts receivable in the statements of financial position.

Gifts of cash and other assets are reported as with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. However, with donor restriction contributions whose restrictions expire or are otherwise satisfied within the period of receipt are reported as revenues without donor restrictions in the statements of activities and changes in net assets.

The variance power provision contained in the Community Foundation's governing documents further provides that, absent contrary directions given in the transferring instrument regarding the use of principal, all or part of the principal of any fund may be used subject to certain conditions, including approval of the Board of Trustees. Therefore, such contributions are reported as net assets without donor restrictions.

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

c. Contributions Receivable

Unconditional promises to give are recorded at net realizable value. An allowance for uncollectible promises to give is recorded when the Community Foundation determines, based on historical experience and collection efforts, that a contribution receivable (carried over from a prior year) is uncollectible. As of December 31, 2024 and 2023, the Community Foundation determined that an allowance is not necessary. Contributions with collection expected in greater than one year are discounted to net present value and recorded, if material.

d. Grants Made

The Community Foundation recognizes grant expense, including unconditional promises to give, as expense in the period made. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return or release, are not recognized in expense until the conditions on which they depend have been substantially met. Grants expected to be paid in excess of one year are discounted to net present value and recorded, if material.

e. Program Services

The Community Foundation is an active grant maker through several competitive grant programs, including All Kids Thrive, Community Impact, the Fund for Women and Girls, and the Bunbury Fund. The Community Foundation also provides grants from donor-advised, designated, nonprofit, and field-of-interest funds. Its primary focus is central New Jersey, but grants from donor advised funds are made regionally and nationally as well.

The Community Foundation's other competitive grants address the needs of low-income people in greater Mercer County, provide operating support for nonprofits working with low-income people and communities, and provide support for programs that help low-income children, families, and communities. The Community Foundation's grantmaking touches many programmatic areas including education, basic services, health, arts and culture, housing, the environment, historic preservation, civil rights, and animal welfare. The Community Foundation also administers over a dozen scholarship funds which grant scholarships and awards through competitive processes to support college study by local students, and to honor achievement in the arts, music, graphic design, and community service.

The Community Foundation actively engages its donors, grantees, and the professional advisors in the region to encourage charitable giving broadly, and to build over time a community-wide commitment to philanthropy. It sponsors seminars and workshops on topics such as endowment-building, good governance, and grant-seeking best practices. The Community Foundation positions itself as a leader in the region and regularly responds to requests for information and guidance. In addition, the Community Foundation partners with other organizations, such as the Council of NJ Grantmakers, to expand its educational offerings.

f. Allocation of Expenses

Expenses are allocated among program services, management and general and fundraising using the direct cost method, historical percentages, or other reasonable basis consistent with the benefit derived by each program. Program services include grantmaking and all activities that facilitate philanthropy in the central New Jersey region, including education and the creation and maintenance of networks among donors, nonprofits, and professional advisors.

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

The allocations performed are determined by management on an equitable basis on the following methodologies:

Expense	Method of Allocation
Salaries and benefits	Time and effort
Payroll taxes and benefits	Salaries and wages
Occupancy	Salaries and wages
Insurance	Salaries and wages
Travel	Salaries and wages
Office expenses	Salaries and wages
Depreciation	Salaries and wages

g. Contributions of Nonfinancial Assets

The Community Foundation receives donated services from unpaid volunteers, officers and trustees which support fundraising, administrative and program efforts. The value of all donated services is not included in these financial statements as they do not meet the criteria for recognition. The Community Foundation received approximately 1,000 hours of donated services during each of the years ended December 31, 2024 and 2023.

h. Cash and Cash Equivalents

The Community Foundation considers all money market funds and certificates of deposit with a maturity date of three months or less at the time of acquisition to be cash equivalents. Included as cash and cash equivalents are money market funds which are part of the investment pool, which are intended for long term investment and a component of the investment portfolio of the Community Foundation. Included within cash and cash equivalents is restricted cash and cash equivalents which represents amounts held for others and board designated endowment funds. Restricted cash and cash equivalents totaled \$24,545,666 and \$21,212,873 as of December 31, 2024 and 2023, respectively.

i. Investments

Investments in equity securities with readily determinable values, and all investments in debt securities are measured at fair value in the statements of financial position. The Community Foundation has invested funds in alternative investments. Most of these investments are established as limited partnerships which are not traded on any public exchange or market. The alternative investments invest in various investment vehicles, including publicly traded equities and bonds traded in the United States and internationally, privately held companies, and closely held limited partnerships and investment companies or on the tax basis of the limited partnership. Those investments that are traded in the United States or on foreign exchanges are valued based on current traded value.

Estimates of fair value for certain investments have been used for those investments that are not readily traded. The investments in limited partnerships include some which allow for limited or no rights of redemption until the termination of the partnership. These limited partnerships, whose financial statements are prepared in accordance with U.S. GAAP, are generally valued at the net asset value provided by the manager of such investments.

Donated investments are recorded at the fair value at the date of receipt. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in net assets without donor restrictions unless the income or loss is restricted by the donor or the law. Except for those funds which have specifically identified investments associated with them, the majority of the investments are held in pooled funds at the Community Foundation. Each fund is assigned a certain unit value and its ownership interest is based on the allocation of the fair value of the fund's units to the total fair value of the investment pool. The pool is revalued monthly and income and gains or losses are allocated to each fund based on its units.

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

j. Distributions of Investments Returns

The Community Foundation's policy for annual distributions from Board designated long-term grant funds is calculated at an annual amount equal to approximately 5.25% on average (4% grants, 1.25% fees) of the average trailing eight-quarter market values of each fund. Other donor funds make grants in varying amounts annually. Grants distributed were \$32,410,576 and \$15,594,722 for the years ended December 31, 2024 and 2023, respectively, from all funds within the Community Foundation. Fees earned for investment management services of \$468,150 and \$448,559 for the years ended December 31, 2024 and 2023, respectively, are recorded in other income on the statements of activities and changes in net assets.

The total net return, which includes interest and dividend payments plus net capital appreciation (depreciation) earned by the pooled investments, less direct internal and external investment expenses is allocated to the funds based on a daily average balance, relative to the pool.

New funds or additional contributions to an existing fund that have been at the Community Foundation for less than one year will not make a full distribution. A pro rata calculation is used based on the date of receipt of the contribution. The calculation for the distributions for funds that have been at the Community Foundation for more than one year, but less than two years is based on the dates the contribution was received and the ending market values for each quarter.

k. Property and Equipment

Property and equipment are recorded at cost, except for donated items, which are recorded at fair value on the date of donation. Improvements are capitalized, while repairs and maintenance expenditures are expensed in the statements of activities and changes in net assets.

Donated property and equipment are recorded as restricted support when donors stipulate how long the assets must be used. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation is provided over the estimated useful lives of the assets using the straight-line method which ranges from 3 to 10 years.

l. Valuation of Long-Lived Assets

The Community Foundation reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Management has determined that no impairment charge was required for the periods presented in these financial statements.

m. Funds Held for Others

The Community Foundation receives and distributes assets under certain agency and intermediary arrangements. When the Community Foundation accepts a deposit from a not-for-profit organization ("NPO") to establish a fund that specifies itself or its affiliate as the beneficiary of that fund, the Community Foundation will account for the transfer of such assets as a liability. The liability is established at the fair value of the funds received, adjusted for investment earnings and fees, gains and losses and net of any funds returned which is generally equivalent to the present value of future payments expected to be made to the NPOs. These funds are reflected as "funds held for others" in the accompanying statements of financial position. Upon written request, full liquidations occur at the discretion of the Community Foundation, following the monthly reconciliation or at the end of the following quarter when the portfolio is rebalanced. Timing of liquidations is determined by the Community Foundation to ensure no adverse impact on the performance of the investment pool.

n. Foreign Currency

Investment securities denominated in foreign currencies are translated into United States dollars at the statement of financial position date. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into United States dollars on the respective dates of such transactions. Realized gains and losses and changes in unrealized gains and losses resulting from changes in foreign exchange rates are included in investment income in the statements of activities and changes in net assets.

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

o. Income Taxes

The Community Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for federal or state income taxes. However, revenue earned on activities which are unrelated to the Community Foundation's exempt purpose is taxable. The Community Foundation's unrelated business income is generated from investment income from certain of its investments in alternative assets. The Community Foundation had no income taxes assessed for the years ended December 31, 2024 and 2023.

The Community Foundation follows the pronouncement related to accounting for uncertainty in income taxes and there were no uncertain tax positions at December 31, 2024 and 2023. In addition, no income tax related penalties or interest have been recorded for the years ended December 31, 2024 and 2023.

p. Leases

The Community Foundation categorizes leases with contractual terms longer than twelve months as either operating or finance. Finance leases are generally those leases that allow us to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases. Leases with contractual terms of 12 months or less are not recorded on the statements of financial position. The Community Foundation had no finance leases during 2024 and 2023.

Certain lease contracts include obligations to pay for other services, such as operations, property taxes, and maintenance. For leases of property, the Community Foundation accounts for these other services as a component of the lease.

Lease liabilities are recognized at the present value of the fixed lease payments, using a risk-free rate. Right-of-use ("ROU") assets are recognized based on the initial present value of the fixed lease payments, plus any direct costs from executing the leases. Lease assets are tested for impairment in the same manner as long-lived assets used in operations.

Options to extend lease terms, terminate leases before the contractual expiration date, or purchase the leased assets, are evaluated for their likelihood of exercise. If it is reasonably certain that the option will be exercised, the option is considered in determining the classification and measurement of the lease.

Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

q. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The value of investments includes estimates of fair value for instruments that are not publicly traded, which is a significant estimate (see Note 5) and allocation of functional expenses (Note 2). It is reasonably possible that these estimates could change in the near future.

3. Financial Assets and Liquidity Resources

As of December 31, 2024 and 2023, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses and fulfillment of payables and other obligations, were as follows:

	2024	2023
Financial assets		
Cash and cash equivalents	\$ 2,572,185	\$ 2,855,532
Investments - operating funds	12,753,511	11,007,989
Total financial assets and liquidity resources	\$ 15,325,696	\$ 13,863,521

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

The financial assets above are not subject to donor or other restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. Additionally, grants that are authorized and paid from donor advised and other restricted funds in the subsequent year would be funded from the related restricted cash and not the financial assets noted above.

Community Foundation funds are managed as a pool of assets and are charged an annual administrative fee based on a percentage of the average fair value of the assets of the fund. These administrative fees are recognized in the fiscal year in which they occur and are used to cover the operating expenses of the Community Foundation. Based on the nature of these funds, the administrative fees that will be charged in the subsequent annual year would be available for general expenditures within the next year.

4. Contributions Receivable

Contributions receivable consisted of the following at December 31, 2024 and 2023:

	2024	2023
Amounts due in the next year	\$ 8,574,420	\$ 11,557,887
Amounts due in 1-5 years	-	195,000
	\$ 8,574,420	\$ 11,752,887

5. Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value in U.S. GAAP, and expands disclosure about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. Fair value should be based on assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and the risks inherent in valuation techniques and the inputs to valuations. Fair value measurements assume that the transaction occurs in the principal market for the asset or liability (the market with the most volume and activity for the asset or liability from the perspective of the reporting entity), or in the absence of a principal market, the most advantageous market for the asset or liability (the market in which the reporting entity would be able to maximize the amount received or minimize the amount paid). The Community Foundation applies fair value measurements to certain assets and liabilities, including the Community Foundation's managed investments, other investments, and funds held in trust by others, in accordance with the requirements described above.

The Community Foundation maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Fair value is based on actively quoted market prices, if available. In the absence of actively quoted market prices, price information from external sources, including broker quotes and industry publications, is used. If pricing information from external sources is not available, or if observable pricing is not indicative of fair value, judgment is required to develop the estimates of fair value using discounted cash flow and other income valuation approaches.

The Community Foundation utilizes the following fair value hierarchy, which prioritizes, into three broad levels, the inputs to valuation techniques used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities that the Community Foundation has the ability to access at the measurement date. Instruments categorized in Level 1 primarily consist of a broadly traded range of equity and debt securities.

Level 2 - Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability, including 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, and inputs that are derived from observable market data by correlation or other means.

Level 3 - Unobservable inputs for the asset or liability, including situations where there is little, if any, market activity for the asset or liability.

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The lowest level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability. Fair value measurements are categorized as Level 3 when a significant proportion of price or other inputs that are considered to be unobservable are used in their valuations.

Following is a description of the valuation methodologies used for assets measured at fair value. Domestic equity is valued at the closing price reported on the active market on which the individual securities are traded. The Treasury index fund is valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar funds, those funds are valued under a discounted cash flow approach that maximizes observable inputs, such as current yields or similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

Investments in investee funds (alternative investments) that are valued using the net asset value ("NAV") of the underlying investee fund as a practical expedient have been excluded from the fair value hierarchy and are shown as a separate column in the fair value leveling table. Certain of these investments may be subject to modest holdback provisions to cover audit and other potential expenses or adjustments in the event of a complete withdrawal. As a practical expedient, investments without readily determinable fair values, such as alternative investments, are reflected at net asset value reported by the fund managers or general partners and may differ significantly from the values that would have been reported had a ready market for these investments existed. The Community Foundation reviewed and evaluated the values provided by the investment managers and agrees with the valuation methods and assumptions used in determining the fair value of alternative investments.

The Community Foundation has provided fair value disclosure information for relevant assets and liabilities in these financial statements at December 31, 2024 and 2023 as follows:

	2024				NAV as Practical Expedient
	Total	Level 1	Level 2	Level 3	
Investments					
Domestic equity					
Emerging markets	\$ 4,329,709	\$ 4,329,709	\$ -	\$ -	\$ -
Real assets	18,126,001	18,126,001	-	-	-
Large cap	2,079,465	2,079,465	-	-	-
Treasury index funds	1,168,251	1,168,251	-	-	-
Alternative investments					
Multi-strategy (a)	71,538,731	-	-	-	71,538,731
Long/short strategy (b)	3,710,335	-	-	-	3,710,335
Equity funds (c)	67,224,109	-	-	-	67,224,109
International equity funds (d)	34,856,179	-	-	-	34,856,179
Real assets (e)	12,062,897	-	-	-	12,062,897
Venture capital (f)	25,029,934	-	-	-	25,029,934
	<u>\$240,125,611</u>	<u>\$ 25,703,426</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$214,422,185</u>
Beneficial interest in split interest agreements	\$ 367,169	\$ -	\$ 367,169	\$ -	\$ -

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

		2023				NAV as
		Total	Level 1	Level 2	Level 3	Practical Expedient
Investments						
Domestic equity						
Emerging markets	\$	8,839,400	\$	8,839,400	\$	-
Real assets		22,023,884		22,023,884		-
Large cap		1,676,768		1,676,768		-
Treasury index funds		10,215,601		10,215,601		-
Alternative investments						
Multi-strategy (a)		57,945,168	-	-	-	57,945,168
Long/short strategy (b)		3,763,590	-	-	-	3,763,590
Equity funds (c)		67,520,111	-	-	-	67,520,111
International equity funds (d)		29,953,259	-	-	-	29,953,259
Real assets (e)		9,554,820	-	-	-	9,554,820
Venture capital (f)		19,788,818	-	-	-	19,788,818
Gifts in transit		1,322,486	1,322,486	-	-	-
		<u>\$232,603,905</u>	<u>\$ 44,078,139</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$188,525,766</u>
Beneficial interest in split interest agreements	\$	328,277	\$	-	\$	328,277
						\$ -

The following table presents the unfunded commitments, redemption frequency and notice period for investments in entities at December 31, 2024 and 2023:

	Number of Funds	2024 Amount	Unfunded Commitment	Redemption Commitment	Redemption Notice Period
			-		
Multi-strategy (a)	7	\$ 71,538,731	\$ 621,763	Monthly-annually	45-90 days
Long/short strategy (b)	1	3,710,335	-	Monthly	60 days
Equity funds (c)	5	67,224,109	2,578,400	Monthly-annually	0-90 days
International equity funds (d)	23	34,856,179	1,335,000	Quarterly; 25% 30 days, 75% 5 years for 1 fund	30-90 days
Real assets (e)	8	12,062,897	5,279,438	Monthly	90 days
Venture capital (f)	17	25,029,934	5,772,126	Monthly	90 days
		<u>\$ 214,422,185</u>	<u>\$ 15,586,727</u>		

	Number of Funds	2023 Amount	Unfunded Commitment	Redemption Commitment	Redemption Notice Period
Multi-strategy (a)	7	\$ 57,945,168	\$ 934,400	Monthly-annually	45-90 days
Long/short strategy (b)	1	3,763,590	-	Monthly	60 days
Equity funds (c)	5	67,520,111	1,770,000	Monthly-annually	0-90 days
International equity funds (d)	23	29,953,259	1,665,000	Quarterly; 25% 30 days, 75% 5 years for 1 fund	30-90 days
Real assets (e)	7	9,554,820	6,385,659	Monthly	90 days
Venture capital (f)	13	19,788,818	7,811,457	Monthly	None
		<u>\$ 188,525,766</u>	<u>\$ 18,566,516</u>		

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

a) Multi-strategy: These funds pursue multiple investments including equity and debt investments in public and private companies across a variety of industries and variety of strategies including credit investments, value investments, and other direct investments. These funds seek capital appreciation and current income and have termination dates ranging from 2025 to 2028. Side pockets of \$5,199,650 and \$2,725,903 at December 31, 2024 and 2023, respectively.

b) Long/short strategy: This fund's objective is to achieve capital appreciation through debt and equity securities, put and call options and other financial instruments. The fund intends for long investments to remain in the portfolio for significant periods of time and do not look for short term trading positions. The short investments look for triggers that cause valuations to decrease. The fund terminates in 2050.

c) Equity funds: These funds' objectives are capital appreciation and investment in a variety of securities including domestic and foreign equities, fixed income funds and other investments in a variety of industries. Side pockets of \$254,492 and \$231,189 at December 31, 2024 and 2023, respectively.

d) International equity funds: These funds are incorporated offshore and represent equity-based investments in various industries and markets. The funds' objectives include generating return by investing in companies in certain foreign jurisdiction such as Japan and greater China. These funds aim to generate attractive risk adjusted long term returns through a fundamental, bottom up long short equity strategy and to generate returns for shareholders by investing in companies that are trading substantially below their intrinsic value and supporting management-led positive change to catalyze the fund's public market value to that intrinsic value. Side pockets of \$41,423 and \$0- at December 31, 2024 and 2023, respectively.

e) Real assets: These funds include investments in real estate, income-producing but mismanaged properties and natural resources. Generally, investments in this asset class are not redeemable.

f) Venture capital: This fund's principal activity is to make and oversee investments in equity and equity related investments in securities of privately held companies located in the United States with the principal objective of appreciation of capital invested.

The Community Foundation is obligated under certain agreements to fund capital calls periodically up to specified commitment amounts. Such commitments generally are called over periods of up to 10 years and contain fixed expiration dates or other termination clauses.

Investment return was comprised of the following at December 31, 2024 and 2023:

	2024	2023
Dividend and interest income	\$ 2,441,303	\$ 3,402,997
Net realized and unrealized gains on investments	25,502,244	22,283,293
Total investment return	27,943,547	25,686,290
Less:		
Investment return allocated to funds held for others (custodial funds)	(8,628,970)	(8,067,176)
Investment return, net	\$ 19,314,577	\$ 17,619,114

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

6. Property and Equipment

Property and equipment consisted of the following at December 31, 2024 and 2023:

	2024	2023
Furniture and office equipment	\$ 525,748	\$ 505,189
Leasehold improvements	-	63,318
Less: Accumulated depreciation	(188,202)	(181,888)
	<u>\$ 337,546</u>	<u>\$ 386,619</u>

Depreciation expense was \$69,632 and \$19,101 for the years ended December 31, 2024 and 2023, respectively.

7. Beneficial Interest in Split Interest Agreements

The Community Foundation is the irrevocable beneficiary of two charitable remainder trusts. Upon establishment of the trusts, the Community Foundation's interest is recorded as a contribution at its net present value based on the estimated life expectancy of the donors and discounted at a risk-free rate of return (5%) determined at the respective dates of the original contributions. The portion of the trust attributable to the future interest of the Community Foundation is recorded in the statements of activities and changes in net assets as a contribution with restrictions in the period the trust is established. Assets held in split interest agreements are recorded at fair value in the Community Foundation's statements of financial position. Subsequent to the receipt of such trusts, the Community Foundation's interest in these trusts is adjusted to the market value with a corresponding offset to unrealized gain or loss. These trusts for 2024 and 2023 were valued at \$367,169 and \$328,277, respectively.

8. Employee Benefit Plan

The Community Foundation maintains a salary reduction 403(b)(7) benefit plan, and a tax deferred annuity plan, which includes all full-time employees (collectively, the "Plans"). The Plans allow employees to defer up to the statutory maximums of their salary on a pre-tax basis. The Community Foundation does not match the employee's contributions. The Plans provide for a discretionary employer contribution. In 2024 and 2023, the Community Foundation made discretionary contributions of \$143,929 and \$105,160, respectively, which are included in employee benefits and payroll taxes on the statements of financial position.

9. Commitments and Contingencies

Promises to Give Payable

The Community Foundation has made grant and scholarship commitments as of December 31, payable as follows:

2025	\$ 8,987,090
2026	25,000
	<u>\$ 9,012,090</u>

10. Related Party Transactions

The Board of Trustees consists of 17 voting members. During the years ended December 31, 2024 and 2023, contributions from these trustees and members of the Community Foundation's staff was approximately \$71,000 and \$101,000, respectively.

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

11. Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions consisted of contributions from donor funds that are available to be granted for charitable and educational purposes as of December 31, 2024 and 2023 including:

	2024	2023
Board designated long-term grant funds - assets held by the Community Foundation for long-term grantmaking; subject to limited annual distributions	\$ 61,785,986	\$ 52,422,940
Other grant funds - assets held by the Community Foundation for grantmaking not subject to a limited annual distribution	105,512,209	114,385,264
Operating funds - assets in support of the Community Foundation operations	10,763,906	9,405,873
Total net assets without donor restrictions	\$ 178,062,101	\$ 176,214,077

Net Assets With Donor Restrictions

Net assets with donor restrictions consisted of the following at December 31, 2024 and 2023:

	2024	2023
Time restrictions		
Contributions receivable	\$ 8,574,420	\$ 11,752,887
Beneficial interest in split interest agreements	367,169	328,277
	\$ 8,941,589	\$ 12,081,164

12. Board Designated Endowment Funds

Description of Fund

The Community Foundation receives and operates several funds which are at the Community Foundation's board and grant committee's discretion to determine how and when to appropriate the funds. The donors for these funds provided variance power to the Community Foundation and these funds support various community programs and services.

Interpretation of Relevant Law

The Board of Trustees of the Community Foundation has designated that long-term assets be held in a manner consistent with the standard of prudence prescribed by state law. As a result of this interpretation, the Community Foundation considers the following factors in making a determination to distribute or accumulate long-term asset funds:

- (1) The duration and preservation of the fund
- (2) The purpose of the long-term asset funds
- (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 Community Foundation
- (7) The investment policies of the Community Foundation

Return Objectives and Risk Parameters

The Community Foundation has adopted investment and spending policies for long-term assets that attempt to provide a predictable stream of funding to programs supported by its long-term assets while seeking to maintain the purchasing power of these assets. Under this policy, as approved by the Board of Trustees, long-term assets are invested in a manner that is intended to produce results that match or exceed a blended benchmark of domestic and international equities, corporate bonds and limited partnerships, while assuming a moderate level of investment risk.

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Community 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 Community Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Community Foundation has a policy of distributing annually each year 5% of its long-term assets' average fair value over the prior ending eight quarters through the calendar year-end of the preceding fiscal year in which the distribution is planned. In establishing this policy, the Community Foundation considers the long-term expected return on its assets. This is consistent with the Community Foundation's objective to maintain the purchasing power of the long-term assets held, as well as to provide additional real growth through new gifts and investment return.

The following table provides information regarding the change in board designated endowment net assets for the years ended December 31, 2024 and 2023:

	2024	2023
Endowment net assets, beginning of year	\$ 52,422,940	\$ 49,234,164
Investment return		
Investment income	471,906	657,628
Realized gains (losses)	864,540	(234,075)
Unrealized gains	4,950,145	5,101,982
Net investment return	6,286,591	5,525,535
Transfers in	5,853,584	203,661
Interfund transfers	(1,197,915)	(968,900)
Transfers out for grants and scholarships	(890,320)	(884,807)
Appropriated for expenditure	(688,894)	(686,713)
	<u>\$ 61,785,986</u>	<u>\$ 52,422,940</u>

13. Leases

On December 28, 2022, the Community Foundation entered into a long-term noncancelable operating lease for office space which expires in December 2033. The commencement date of the agreement and the date control transferred was October 1, 2023. For leases where the rates implicit in the leases are not available, the Community Foundation utilizes the risk free rate as the discount rate.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities as of December 31, 2024:

2025	\$ 337,502
2026	362,951
2027	368,429
2028	373,908
2029	379,386
Thereafter	2,287,274
	<u>4,109,450</u>
Less imputed interest	(814,825)
Operating lease liability at December 31, 2024	<u><u>\$ 3,294,625</u></u>

Princeton Area Community Foundation, Inc.
Notes to Financial Statements
December 31, 2024 and 2023

	2024	2023
Other information		
Operating cash flows from operating leases	\$325,368	\$80,999
Weighted-average remaining lease term-operating leases	10.75 years	11.75 years
Weighted-average discount rate-operating leases	4.18%	4.18%

Lease expense amounted to \$416,989 and \$184,024 for the years ended December 31, 2024 and 2023, respectively.

14. Concentrations

Concentration of Credit Risks

Financial Instruments

The Community Foundation has significant cash balances at financial institutions which throughout the year regularly exceed the federally insured limit of \$250,000. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Community Foundation's financial condition, results of operations, and cash flows.

The Community Foundation invests in various investments. Investments are exposed to various risks such as interest rates, credit, and overall volatility risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the Community Foundation's account balances and the amounts reported in the accompanying financial statements.

Contribution Revenue

Contributions revenue are received from a wide donor base which limits the concentration of credit risk. Approximately 66% and 67% of total contributions were from three donors for the years ended December 31, 2024 and 2023, respectively.

Contributions Receivable

Contributions receivable are received from a wide donor base which limits the concentration of credit risk. At December 31, 2024 and 2023, two donors comprised 96% and one donor comprised 88% of total contributions receivable, respectively.

15. Subsequent Event

The Community Foundation has evaluated subsequent events occurring after the statement of financial position date through the date of November 5, 2025, which is the date the financial statements were available to be issued. Based on this evaluation, the Community Foundation has determined that no subsequent events have occurred which require disclosure in or adjustment to the financial statements.

Supplementary Information

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

To the Board of Trustees of
Princeton Area Community Foundation, Inc.:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Princeton Area Community Foundation, Inc. (the "Community Foundation"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated November 5, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Community Foundation's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Community Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Community Foundation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Community Foundation's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

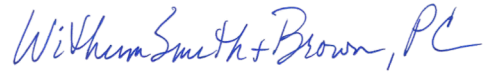
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Community Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Community Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Community Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads 'Withum Smith + Brown, PC'.

November 5, 2025

Princeton Area Community Foundation, Inc.
Schedule of Expenditures of State Financial Assistance
Year Ended December 31, 2024

State Grantor/Program Title	Award Number	Award Period	Expenditures -	
			Expenditures	Life of Contract
State of New Jersey				
State Council on the Arts				
New Jersey Arts and Cultural Renewal Fund	2514X090006	07/01/2024 - 06/30/2025	\$ 100,000	\$ 100,000

Basis of Presentation

The schedule of expenditures of state financial assistance includes the state grant activity of Princeton Area Community Foundation, Inc. (the "Community Foundation") for the year ended December 31, 2024 and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Community Foundation's grant agreement with the State of New Jersey, Department of State, State Council on the Arts. Because the schedule presents only a selected portion of the operations of the Community Foundation, it is not interested to and does not present the financial position, changes in net assets, or cash flows of the Community Foundation.

Princeton Area Community Foundation, Inc.
Schedule of Findings and Questioned Costs
December 31, 2024

Section I - Summary of Auditor's Results

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified?	<u> </u> Yes	<u> X </u> No
Significant deficiencies identified that are not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None reported
Noncompliance material to the financial statements noted?	<u> </u> Yes	<u> X </u> No

Section II - Financial Statement Findings

None