2025-2026

Audited Financial Statements

California
COMMUNITY
Foundation

CALIFORNIA COMMUNITY FOUNDATION AND AFFILIATES

Consolidated Financial Statements

June 30, 2026 and 2025

(With Independent Auditors' Report Thereon)

Cover photo: *Following the 2025 wildfires, survivors and rescued animals helped each other heal at Big Heart Ranch, a CCF grantee partner.*

KPMG LLP
633 West 5th Street
Suite 4700
Los Angeles, CA 90071

Independent Auditors' Report

The Board of Directors
California Community Foundation and affiliates:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of California Community Foundation and affiliates (the Foundation), which comprise the consolidated statement of financial position as of June 30, 2026 and 2025, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2026 and 2025, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 consolidated financial statements.

KPMG LLP, a Delaware limited liability partnership, and its subsidiaries are part of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

KPMG LLP

Los Angeles, California
October 20, 2026

CALIFORNIA COMMUNITY FOUNDATION AND AFFILIATES

Consolidated Statements of Financial Position

June 30, 2026 and 2025

(In thousands)

Assets		2026	2025
Cash and cash equivalents	$	41,872	30,574
Investments (note 4)		2,518,654	2,321,079
Program-related notes receivable, net (note 2)		52,023	57,656
Contributions receivable, net (note 5)		41,479	48,317
Grants receivable		10,741	5,500
Prepaid expenses and other assets		997	1,734
Beneficial interest in trusts (notes 2 and 4)		38,808	35,401
Property, plant, and equipment, net (notes 2 and 6)		35,252	36,582
Programmatic related real estate (note 2)		6,657	6,657
Total assets	$	2,746,483	2,543,500
Liabilities and Net Assets			
Accounts payable and other liabilities (note 2)	$	27,413	29,453
Funds held for others (note 2)		217,971	205,890
Grants payable, net (note 7)		28,326	36,959
Notes payable and line of credit (note 8)		3,500	1,500
Liabilities under split-interest agreements (note 2)		10,259	10,490
Total liabilities		287,469	284,292
Commitments and contingencies (notes 2 and 9)			
Net assets (notes 2 and 11):			
Net assets without donor restrictions		2,277,701	2,089,836
Net assets with donor restrictions		181,313	169,372
Total net assets		2,459,014	2,259,208
Total liabilities and net assets	$	2,746,483	2,543,500

See accompanying notes to consolidated financial statements.

CALIFORNIA COMMUNITY FOUNDATION AND AFFILIATES

Consolidated Statement of Activities

Year ended June 30, 2026

(In thousands)

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Support and revenue:			
Support:			
Contributions of cash and other financial assets	$ 247,098	30,021	277,119
Less amounts raised or received on behalf of others	(11,769)	—	(11,769)
Contributions of nonfinancial assets	—	—	—
Net contributions raised	235,329	30,021	265,350
Other revenue:			
Net investment return	260,879	12,890	273,769
Less net investment return allocated to funds held for others	(20,261)	—	(20,261)
Change in value of split-interest agreements	—	1,198	1,198
Net investment return and other revenue	240,618	14,088	254,706
Net assets released from restrictions	32,168	(32,168)	—
Total support and revenue and net assets released from restrictions	508,115	11,941	520,056
Expenses:			
Program services:			
Grants and philanthropic distributions	292,700	—	292,700
Less amounts distributed on behalf of others	(18,947)	—	(18,947)
Total grants and philanthropic distributions, net	273,753	—	273,753
Program services expense	27,992	—	27,992
Less program services expenses allocated to funds held for others	(1,002)	—	(1,002)
Total grants, philanthropic distributions, and program services, net	300,743	—	300,743
Support services:			
Management and general administrative	15,152	—	15,152
Development and fundraising	4,355	—	4,355
Total support services	19,507	—	19,507
Total expenses	320,250	—	320,250
Change in net assets	187,865	11,941	199,806
Net assets at beginning of year	2,089,836	169,372	2,259,208
Net assets at end of year	$ 2,277,701	181,313	2,459,014

See accompanying notes to consolidated financial statements.

CALIFORNIA COMMUNITY FOUNDATION AND AFFILIATES

Consolidated Statement of Activities

Year ended June 30, 2025

(In thousands)

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Support and revenue:			
Support:			
Contributions of cash and other financial assets	$ 305,884	23,974	329,858
Less amounts raised or received on behalf of others	(17,986)	—	(17,986)
Contributions of nonfinancial assets	849	—	849
Net contributions and bequests raised	288,747	23,974	312,721
Other revenue:			
Net investment return	210,190	11,189	221,379
Less net investment return allocated to funds held for others	(17,740)	—	(17,740)
Change in value of split-interest agreements	—	1,433	1,433
Net investment return and other revenue	192,450	12,622	205,072
Net assets released from restrictions	39,200	(39,200)	—
Total support and revenue and net assets released from restrictions	520,397	(2,604)	517,793
Expenses:			
Program services:			
Grants and philanthropic distributions	363,470	—	363,470
Less amounts distributed on behalf of others	(11,942)	—	(11,942)
Total grants and philanthropic distributions, net	351,528	—	351,528
Program services expense	24,248	—	24,248
Less program services expenses allocated to funds held for others	(949)	—	(949)
Total grants, philanthropic distributions, and program services, net	374,827	—	374,827
Support services:			
Management and general administrative	11,260	—	11,260
Development and fundraising	3,344	—	3,344
Total support services	14,604	—	14,604
Total expenses	389,431	—	389,431
Change in net assets	130,966	(2,604)	128,362
Net assets at beginning of year	1,958,870	171,976	2,130,846
Net assets at end of year	$ 2,089,836	169,372	2,259,208

See accompanying notes to consolidated financial statements.

CALIFORNIA COMMUNITY FOUNDATION AND AFFILIATES

Consolidated Statements of Cash Flows

Years ended June 30, 2026 and 2025

(In thousands)

	2026	2025
Cash flows from operating activities:		
Change in net assets	$ 199,806	128,362
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Realized and unrealized gains on investments, net	(229,317)	(178,696)
Loss on sale of real estate	98	—
Depreciation and amortization	2,007	1,892
Change in value of split-interest agreements	(1,198)	(1,433)
Change in provision for credit losses	750	—
Contributions restricted for endowments	—	11
Contributed noncash assets	—	(849)
Changes in operating assets and liabilities:		
Contributions receivable	6,837	5,185
Grants receivable	(5,241)	(948)
Prepaid expenses and other assets	738	(896)
Accounts payable and other liabilities	(2,041)	17,305
Funds held for others	12,081	22,835
Grants payable	(8,633)	(4,095)
Liabilities under split-interest agreements	(231)	(1,507)
Net cash used in operating activities	(24,344)	(12,834)
Cash flows from investing activities:		
Proceeds from repayments of notes receivable	12,387	8,210
Issuance of notes receivable	(7,505)	(18,562)
Purchase of investments	(2,930,985)	(1,772,045)
Proceeds from sale and maturity of investments	2,960,422	1,813,483
Purchases of building improvements	(677)	(1,991)
Net cash provided by investing activities	33,642	29,095
Cash flows from financing activities:		
Proceeds from borrowing	2,000	—
Net cash provided by financing activities	2,000	—
Change in cash and cash equivalents	11,298	16,261
Cash and cash equivalents at beginning of year	30,574	14,313
Cash and cash equivalents at end of year	$ 41,872	30,574
Supplemental information:		
Cash paid for interest	$ 55	48
Noncash investing activities:		
Donated investments	$ —	950
Donated real property	—	849

See accompanying notes to consolidated financial statements.

(1) General Purpose and Activities

The California Community Foundation's (CCF) mission is to strengthen Los Angeles communities through effective philanthropy and civic engagement. The Foundation administers more than 1,800 individual funds, each established with an instrument of gift describing either the general or the specific purposes for which grants are to be made.

The consolidated financial statements of the Foundation include its following affiliates:

CCF Community Initiatives Fund	Remington Court Foundation
CCF Real Estate Holdings #2	The Rose and David Dortort Foundation
CCF Real Estate Holdings	The FEDCO Charitable Foundation
Community Foundation Land Trust	The Pipkin Charitable Foundation
LA4LA Fund	The SahanDaywi Foundation
LA Wildfires Rebuilding and Renewal Fund	Thelma Pearl Howard Foundation
Los Angeles Community Foundation	

These affiliated organizations are separately incorporated charitable organizations that are administered by the Foundation. All significant intercompany balances and transactions have been eliminated within the consolidated financial statements. The Foundation and its affiliates are collectively referred to herein as the Foundation.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying consolidated financial statements are prepared using the accrual basis of accounting.

(b) Classification of Net Assets

The Foundation reports information regarding its financial position and activities in two classes of net assets – without donor restrictions and with donor restrictions – based upon the existence or absence of donor-imposed restrictions.

Net Assets Without Donor Restrictions – All contributions other than endowments, including those with donor-imposed restrictions, are subject to the variance power established by the Foundation's governing documents. The variance provision gives the Board of directors of the Foundation (the Board) the power to modify any restriction placed on gifts to the Foundation that is incapable of fulfillment or is no longer consistent with the charitable needs of the community. Accordingly, unless time restrictions have been imposed on contributions, net assets are generally classified as net assets without donor restrictions. The Foundation's governing documents provide that absent contrary directions given in the transferring instrument regarding expenditure of principal, all or part of the principal of any fund may be expended subject to certain conditions, including approval of the Board and trustee holding each fund. Contributions with donor-imposed restrictions that are met during the same fiscal year as the contribution is made are included as support without restrictions that increases net assets without donor restrictions.

Net Assets With Donor Restrictions – Net assets with donor restrictions include net assets that are subject to donor-imposed restrictions that will be met by the passage of time or those maintained in perpetuity. The Foundation's net assets with donor restrictions due to the passage of time are contributions receivable, split-interest agreements, beneficial interests in trust, and donor-restricted endowment fund balances.

The investment income generated from assets held in perpetuity is restricted by law until appropriated by the Board in support of the Foundation's programs and operations. The Foundation's net assets with donor restrictions include contributions from and related activity of perpetual trusts trusteed by third parties and those endowment funds held by the Foundation, as defined under the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

(c) Cash and Cash Equivalents

Cash and cash equivalents include short term, highly liquid investments with maturities of three months or less at the time of purchase, except for cash equivalents maintained for long term purposes.

(d) Investments

As further discussed in note 4, investments are reported at fair value and made according to the investment objectives and policies adopted by the Foundation's Board. These guidelines provide for investment in equities, fixed-income, limited partnership, and other securities with performance measured against appropriate indices. The Foundation contracts with outside investment managers to provide investment management and consulting services.

Investment purchases and sales are accounted for on a trade-date basis. Interest income is recorded when earned and dividends are recorded on the ex-dividend date.

(e) Programmatic Related Real Estate

A consolidated affiliate of the Foundation acquires land, works with community partners to define the development parameters, obtains entitlements, and enters into long-term ground leases and other property use and sale arrangements with selected developers. Real estate held under operating leases to developers is carried at historical cost. Other real estate is carried at the lower of cost or fair value. Fair value is determined through valuation techniques using Level 2 inputs of the fair value hierarchy, as discussed in note 4.

The Foundation reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the reported amount of an asset may not be recoverable. There were no events or changes in circumstances that occurred during the years ended June 30, 2026 and 2025 that would indicate impairment of the Foundation's long-lived assets.

(f) Contributions Receivable

Unconditional promises to give that are expected to be received in future periods are initially recognized at fair value using present value discount rates. For the years ended June 30, 2026 and 2025, unconditional promises were recorded at present value using a discount rate of 4.00%.

The Foundation is also the charitable beneficiary of lead trusts for which the Foundation receives distributions. For the years ended June 30, 2026 and 2025, future distributions were recorded at present value using a discount rate range from 4.00% to 5.00%. These inputs to the fair value estimate are considered Level 3 in the fair value hierarchy. The discount is amortized to contribution revenue using the effective-interest method.

The Foundation is the residual beneficiary of living trusts that have become irrevocable due to the death of the trustors for fiscal years ended June 30, 2026 and 2025, the trusts' assets consist of cash, securities, property, and other miscellaneous assets. Under the terms of the trusts, the Foundation will receive a distribution of all trusts' assets remaining after the satisfaction of all bequests and expenses related to the administration of the trust. The Foundation recognizes the fair value of the trusts using present value discount rates ranging from 5.00% to 8.00% for the years ended June 30, 2026 and 2025 and the donors' anticipated life expectancy.

(g) Program-Related Notes Receivable

The Foundation invests a portion of its funds in projects that advance its philanthropic purposes by providing loans to certain not-for-profit organizations. At June 30, 2026 and 2025, these loans totaled $36,161 and $35,768, respectively, and are included in notes receivable in the accompanying consolidated statements of financial position. The loans have various maturity dates and interest rates ranging from zero to 3.00%. The Foundation estimates the allowance for credit losses on program-related notes receivable in accordance with FASB ASC Topic 326, Financial Instruments — Credit Losses. The allowance represents management's estimate of expected credit losses over the remaining contractual term of the loans, determined based on historical loss experience, evaluation of borrower creditworthiness, current economic conditions, and reasonable and supportable forward-looking forecasts. As of June 30, 2026 and 2025, the allowance for credit losses was $1,500 and $750 respectively. At June 30, 2026 and 2025, the Foundation had outstanding commitments totaling $1,000 under these programs.

The Foundation has also entered into loans with unrelated nonprofits generally for operating purposes, with remaining terms of the loans ranging from 9 to 36 months and interest rates ranging from zero to 15.00%. The balance of these loans totaled $17,388 and $22,638 as of June 30, 2026 and 2025, respectively.

(h) Beneficial Interest in Trusts

The Foundation is named income beneficiary on various perpetual trusts, the corpus of which are not controlled by the management of the Foundation. Under these arrangements, the Foundation has the irrevocable right to receive all income earned on the underlying assets held in perpetuity. Accordingly, contribution revenue and the related assets are recognized at fair value in the period in which the Foundation receives notice that the trust agreement conveys an unconditional right to receive specified benefits. Subsequent changes in the value of the underlying assets have been recorded in the accompanying consolidated statements of activities as a component of net assets with donor restrictions within net investment return. Beneficial interest in perpetual trusts totaled $33,662 and $30,940 as of June 30, 2026 and 2025, respectively.

The Foundation is also named beneficiary of the remainder interests in various charitable remainder trusts. Under these arrangements, the Foundation will have rights to the underlying assets, following a qualifying event. Contribution revenue and the related assets are recognized using the present value of the assets expected to be received. Subsequent changes to the fair value of the assets and liabilities are recognized as changes in the value of split-interest agreements in the accompanying consolidated statements of activities. Inputs used to determine the fair value estimates are considered Level 3 in the fair value hierarchy. Beneficial interest in remainder trusts totaled $5,146 and $4,461 as of June 30, 2026 and 2025, respectively.

(i) Property, Plant and Equipment, Net

Property, plant, and equipment are carried at cost, net of accumulated depreciation and amortization. Purchased property and equipment in excess of $5 are capitalized. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the related assets as follows:

Building and building improvements	39 years
Furniture	7 years
Office equipment and other	5 years
Computer equipment and software	3 years

(j) Funds Held for Others

The Foundation receives and distributes assets under certain agency and intermediary arrangements. Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Section 958-605-04, *Transfers of Assets to a Not-for-Profit Entity or Charitable Trust that Raises or Holds Contributions for Others*, establishes standards for transactions in which a recipient organization accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets, or both, to another entity that is specified by the donor.

FASB ASC Section 958-605-04 requires that if a not-for-profit organization establishes a fund at a recipient organization with its own funds and specifies itself or its affiliate as the beneficiary of that fund, the recipient organization must account for the transfer of such assets as a liability. The liability is reflected under funds held for others on the accompanying consolidated statements of financial position. In addition, related amounts received or distributed, investment income or loss, and expenses are presented separately in the accompanying consolidated statements of activities as a reduction of the Foundation's activities.

(k) Grants

Unconditional grants are recognized as an expense in the period in which they are approved by the Foundation's Board for discretionary grants. Grants are made from available principal and income in accordance with the designations of donors. Grants that are conditioned on future uncertain events are expensed when those conditions are substantially met. For the years ended June 30, 2026 and 2025, grants payable beyond one year are initially recognized at fair value using discount rates of 4.14% and 3.72%, respectively. Inputs used to develop these fair value estimates are considered Level 3 in the fair value hierarchy.

(l) Split-Interest Agreements

The Foundation records assets held in charitable trusts, charitable gift annuities, and life estates as follows:

Charitable Trusts – The Foundation serves as trustee for various charitable remainder trusts. Under the terms of these agreements, the Foundation makes distributions to income beneficiaries for a given term or the life of the beneficiaries. At the end of the term, or upon the death of the income beneficiaries, assets remaining in the trust will be transferred to the Foundation. The Foundation records the assets held in these trusts at their fair value based on current quoted market values, records a liability for the respective agreements at the estimated present value of the amounts due to the income beneficiaries, and records contribution revenue for the difference between the two values. The present value of payments to beneficiaries under these arrangements is calculated using discount rates, as selected at the date of gift. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as changes in the value of split-interest agreements in the accompanying consolidated statements of activities. The discount rates used for the years ended June 30, 2026 and 2025 ranged from 2.0% to 6.2%. The trusts' assets totaled $12,331 and $11,871 at June 30, 2026 and 2025, respectively. The trusts' liabilities totaled $6,798 and $6,572 as of June 30, 2026 and 2025, respectively.

Charitable Gift Annuities – Donors have contributed assets to the Foundation in exchange for a promise by the Foundation to pay a fixed amount for a specified period of time to the donor or to individuals or organizations designated by the donor. Under the terms of such agreements, no trust exists, as the assets received are held by, and the liability is a general obligation of, the Foundation. The Foundation records contribution revenue using the fair value of the assets less the present value of the payments expected to be made to the beneficiaries. The present value of payments to beneficiaries under these arrangements is calculated using discount rates, as selected at the date of gift. The discount rates used for the years ended June 30, 2026 and 2025, ranged from 1.20% to 7.40%. The annuities' assets totaled $3,826 and $3,930 at June 30, 2026 and 2025, respectively. The annuities' liabilities totaled $3,461 and $3,918 as of June 30, 2026 and 2025, respectively.

Cash and Investments held under these split-interest agreements totaled $16,157 and $15,801 at June 30, 2026 and 2025, respectively.

Inputs used to develop the fair value estimates of these liabilities under split-interest agreements are considered Level 3 in the fair value hierarchy.

(m) Other Liabilities

Other liabilities include refundable advances. When a donor transfers assets to the Foundation subject to a condition, a refundable advance is accounted for until the condition is substantially met. Refundable advances as of June 30, 2026 and 2025 were $17,831 and $18,355, respectively, and are included in accounts payable and other liabilities on the Consolidated Statements of Financial Position.

(n) Fair Value of Financial Instruments

Due to the short-term nature of cash equivalents, contribution and program receivables, prepaid expense, other assets, and accounts payable, fair value approximates reported values.

(o) Use of Estimates

The preparation of 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 reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

(p) Income Taxes

The Foundation and its affiliates are California nonprofit corporations, generally exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and California income tax under Section 23701d of the California Revenue and Taxation Code. However, the Foundation is subject to income taxes on any net income that is derived from a trade or business and not in furtherance of the purposes for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the consolidated financial statements taken as a whole.

(3) Liquidity and Availability of Financial Assets

Financial assets available within one year for general expenditures including operating expenses and grant disbursements at June 30, 2026 and 2025:

		June 30	
		2026	**2025**
Cash and cash equivalents	$	41,872	30,574
Investments		2,518,654	2,321,079
Less amounts not available for expenditure:			
Investments at net asset value		(917,342)	(752,459)
Donor-restricted endowments		(84,569)	(79,661)
Restricted for programs		(9,972)	—
Split interest agreement investments		(16,157)	(15,801)
Total financial assets available for expenditure	$	1,532,486	1,503,732

As part of the Foundation's liquidity management, it structures its financial assets as its general expenditures, liabilities and other obligations come due. As described in note 11, the Foundation's endowment funds include both a donor-restricted endowment and funds functioning as endowments. Income from the donor-restricted endowment is restricted for specific purposes and, therefore, not available for general expenditures. The endowment has a spending rate of 5.2% and $37,891 and $38,105 have been designated

(Continued)

for grants and operating expenses at June 30, 2026 and 2025, respectively. The Foundation does not intend to spend from its funds functioning as endowments other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process. However, amounts from its funds functioning as endowments could be made available through Board action, if necessary. Accordingly, the funds functioning as endowments of $717,181 and $676,766 as of June 30, 2026 and 2025, respectively, have been reported as a financial asset available for general use. Additionally, as described in Note 8, the Foundation has a $25,000 line of credit and a $25,000 uncommitted demand note, which are available to provide additional liquidity, as needed.

(4) Fair Value Measurements

In accordance with FASB ASC Topic 820, *Fair Value Measurement*, fair value is defined as the price that the Foundation would receive upon selling an asset or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market of the asset. FASB ASC Topic 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes.

Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available. The three-tier hierarchy of inputs is summarized in the three broad levels listed as follows:

- Level 1 – Quoted prices in active markets for identical assets
- Level 2 – Other significant observable inputs (including quoted prices for similar assets, interest rates, prepayment speeds, and credit risk)
- Level 3 – Significant unobservable inputs (including the Foundation's own assumptions in determining the fair value of assets).

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given asset or liability is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The fair value of investments in securities traded on national securities exchanges is valued at the closing price on the last business day of the fiscal year; securities traded on the over-the-counter market are valued at the last reported bid price. These securities are categorized as Level 1 securities. Fair value of some fixed-income securities may be estimated by independent pricing services using matrix systems that consider factors, such as security prices, yields, maturities, ratings, and are categorized as Level 2 securities. Other fixed-income securities, fair value is estimated by trades available on similar securities and are categorized as Level 2.

Investments for which observable market prices in active markets do not exist are reported at fair value, as determined in good faith by the Foundation's management. The valuations of limited partnership investments include assumptions and methods that were prepared by the general partners of the limited partnerships and were reviewed by the Foundation's management. Real property values are initially based on independent appraisals. Additionally, on an annual basis, Foundation's management analyzes comparable sales data sourced from independent third parties to estimate changes in real property fair values and, as necessary, the Foundation will obtain updated independent appraisals.

Investments consisting of closely held common and preferred stock are recorded at fair value based on valuation techniques, such as the sales comparison approach. Unobservable inputs include market comparable rates.

Limited partnerships holding publicly traded securities, limited partnerships holding real estate, and private equity holdings are recorded at estimated fair value based on the net asset value (NAV) of the Foundation's ownership interest in the partners' capital, which includes assumptions and methods that were prepared by the general partner of the limited partnerships and were reviewed by the Foundation's management. The Foundation believes that the NAV amounts reported for these investments are a practical expedient to estimate fair value at June 30, 2026 and 2025.

Other limited partnership and limited liability corporation investments are recorded at fair value based on valuation techniques, such as the sales comparison approach and income approach. Unobservable inputs include market comparable rates and capitalization and occupancy rates.

Beneficial interests in charitable trusts held by others are reported at the net present value of the estimated future amount to be received on such assets. The present value is based on the IAR 2012 Mortality Table published by the Society of Actuaries and approximates fair value.

Liabilities under split-interest agreements are reported at the present value of estimated amounts due to income beneficiaries of the agreements based on the IAR 2012 Mortality Table published by the Society of Actuaries. Present value approximates fair value.

The Foundation uses NAV to determine fair value of those underlying investments that (a) do not have a readily determinable fair value and (b) either have attributes of an investment company or prepare its financial statements consistent with the measurement principles of an investment company. The Foundation has $917 and $752 of investments that are reported at NAV at June 30, 2026 and 2025, respectively. For these investments, the Foundation has concluded that the NAV reported by the underlying fund is a practical expedient to estimating fair value. The amounts reported at NAV at June 30, 2026 and 2025 are redeemable with the fund at NAV under the original terms of the partnership agreements and/or subscription agreements and operations of the underlying funds. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the NAV of the funds and, consequently, the fair value of the Foundation's interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported NAV. It is, therefore, reasonably possible that if the Foundation were

to sell these investments in the secondary market, a buyer may require a discount to the reported NAV, and the discount could be significant.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statements of financial position.

The fair value of each investment in the tables below was measured using FASB ASC 820 input guidance and valuation techniques.

The following tables set forth estimated fair values of assets and liabilities measured and recorded on a recurring basis at June 30, 2026:

Assets	2026 Total	Investments measured at NAV	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other observable inputs (Level 3)
Investments:					
Cash equivalents	$ 109,992	—	109,992	—	—
Common and preferred stock (directly held, mutual funds, exchange traded funds and common trust funds)	798,905	—	763,399	35,506	—
Fixed income (directly held, publicly traded mutual funds and common trust funds):					
U.S. Treasury and Agency	132,372	—	98,457	33,915	—
Global Bonds (corporate, foreign, and high yield)	493,684	—	91,710	401,974	—
Other (floating rate notes, mortgage-backed securities and bank loans)	6,444	—	6,444	—	—
Limited partnerships (primarily publicly-traded securities):					
Hedge Funds	121,916	121,916	—	—	—
Public Equities	372,247	372,247	—	—	—
Private Market Assets	432,062	423,180	—	—	8,882
Directly Held Other Holdings	27,739	—	—	—	27,739
Investment Receivable	23,295				
Total Investment	$ 2,518,654	917,343	1,070,002	471,395	36,621

(Continued)

The following table set forth estimated fair values of assets and liabilities measured and recorded on a recurring basis at June 30, 2025:

Assets	2025 Total	Investments measured at NAV	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other observable inputs (Level 3)
Investments:					
Cash equivalents	$ 50,374	—	50,374	—	—
Common and preferred stock (directly held, mutual funds, exchange traded funds and common trust funds)	792,738	—	727,091	65,647	—
Fixed income (directly held, publicly traded mutual funds and common trust funds):					
U.S. Treasury and Agency	172,782	—	168,545	4,237	—
Global Bonds (corporate, foreign, and high yield)	421,072	—	395,006	26,066	—
Other (floating rate notes, mortgage-backed securities and bank loans)	87,606	—	19,413	68,193	—
Limited partnerships (primarily publicly-traded securities):					
Hedge Funds	119,246	119,246	—	—	—
Public Equities	196,835	196,835	—	—	—
Private Market Assets	451,299	436,378	—	—	14,921
Directly Held Other Holdings	29,126	—	—	—	29,126
Total investments	$ 2,321,078	752,459	1,360,429	164,143	44,047

(Continued)

The following table presents changes in asset classified in Level 3 of the fair value hierarchy during the year ended June 30, 2026 and 2025 attributable to the following:

	Level 3 Assets
Level 3 assets, June 30, 2024	$ 35,746
Contributions	1,496
Sales	(879)
Realized and unrealized losses	(2,423)
Level 3 assets, June 30, 2025	33,940
Transfers In to Level 3	10,108
Contributions	622
Sales	(1,748)
Realized and unrealized losses	(6,301)
Level 3 assets, June 30, 2026	$ 36,621

During the year ended June 30, 2026, the Foundation transferred certain real estate investments with a fair value of approximately $10.1 million from Level 2 to Level 3. Transfer resulted from a reduction in observable market data available to support the valuation, causing the fair value measurement to rely on significant unobservable inputs.

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent) as of June 30, 2026:

	Net Asset Value	Unfunded Commitments	Redemption frequency (range)	Redemption notice (range)	Gates% of NAV (range)
Hedge Funds	$ 121,916	—	Semi Monthly - Quarterly	5-90 days	9% - 50%
Public Equities held in LPs	372,247	—	Monthly - Bi-Annual	10-90 days	16% - 25%
Private Market Assets	423,180	119,455	Bi-Annual - Illiquid	N/A-90 days	NA
Total	$ 917,343	119,455			

(Continued)

(5) Contributions Receivable

Contributions receivable are expected to be received as follows at June 30, 2026 and 2025:

		2026	2025
Due within one year	$	10,640	10,398
Due within two to five years		3,773	3,883
Due after five years		37,645	47,675
		52,058	61,956
Less unamortized discount to reflect at present value		(10,579)	(13,639)
Total present value	$	41,479	48,317

(6) Property, Plant, and Equipment, Net

In January 2021, the Foundation purchased a building and land located at 717 Temple Street, Los Angeles, California for $15,400. For the years ended June 30, 2026 and 2025, renovation costs including building improvements totaled $677 and $1,991, respectively.

Property, plant, and equipment are summarized as follows as of June 30, 2026 and 2025:

		2026	2025
Land	$	3,000	3,000
Building		12,400	12,400
Building improvements		19,501	19,211
Furniture		847	834
Office equipment and other		656	531
Computer equipment and software		5,026	4,956
Construction in progress		898	719
Property, plant, and equipment, gross		42,328	41,651
Less accumulated depreciation and amortization		(7,076)	(5,069)
Property, plant, and equipment, net	$	35,252	36,582

(Continued)

(7) Grants Payable, net

Future anticipated cash flows for grants payable, for which all of the conditions have been met, are summarized as follows at June 30, 2026 and 2025:

	2026	2025
Due within one year	$ 15,989	22,195
Due within two to five years	13,969	16,817
	29,958	39,012
Less unamortized discount to reflect grants payable at present value	(1,632)	(2,053)
Total	$ 28,326	36,959

(8) Notes Payable and Line of Credit

The Foundation has a line of credit with a financial institution allowing borrowing up to $25,000 with interest equal to the greater of 2.50% or the prime rate minus 0.25%. This line matures on June 15, 2028. This line was not drawn on during the year ended June 30, 2026 and 2025. No amounts were outstanding on this line of credit as of June 30, 2026 and 2025.

On June 30, 2017, the Foundation entered into a loan agreement with another not-for-profit organization. Funds from this loan will support the Foundation's program-related loan portfolio. The loan accrues interest of 1.00% and has a maturity date of June 30, 2027. The Foundation has made interest-only payments totaling $15 for the year ended June 30, 2026 and 2025. Repayment of the principal amount and any unpaid interest is due June 30, 2027. The loan balance at June 30, 2026 and 2025 was $1,500.

On April 14, 2026, the Foundation entered into a loan agreement with another not-for-profit organization. Funds from this loan will support the Foundation's program-related loan portfolio. The loan accrues interest of 2.00% and has a maturity date of April 14, 2036. The Foundation has made interest-only payments totaling $7 for the year ended June 30, 2026. Repayment of the principal amount and any unpaid interest is due April 14, 2036. The loan balance at June 30, 2026 was $2,000.

The aggregate amounts of principal maturities of long-term debt for each of the five fiscal years following June 30, 2026 and thereafter are as follows:

Fiscal Year Ending	Principal Maturities
2027	$ —
2028	1,500
2029	—
2030	—
2031	—
Thereafter:	2,000
Total	$ 3,500

(Continued)

(9) Commitments and Contingencies

(a) Loan Guarantees

The Foundation has agreed to guarantee certain debts of other not-for-profit organizations. Amounts guaranteed were $973and $977 at June 30, 2026 and 2025, respectively.

(b) Legal Matters

The Foundation and its affiliates are subject to various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of such matters will not have a material adverse effect on the Foundation's consolidated financial position or changes in net assets of the Foundation.

(10) Retirement Plan

The Foundation has a defined-contribution plan covering substantially all employees. Employees are eligible beginning with the first day of employment. The Foundation's annual contribution is calculated at a specified percentage of salary for all employees, up to statutory limits. The Foundation's contributions are vested at 25% per year and completely vested after four years. Vesting is immediate on all contributions by employees. Retirement expense totaled $1,212 and $1,133 for the years ended June 30, 2026 and 2025, respectively.

(11) Endowment Funds

The Foundation follows the standards codified in FASB ASC Section 958-205-45, *Other Presentation Matters – Reporting Endowment Funds*, which provides guidance on the net asset classification of donor-restricted endowments and unrestricted funds functioning as endowments.

(a) Interpretation of Relevant Law

The Board, in concurrence with the advice of legal counsel, has determined a portion of the Foundation's net assets meet the definition of endowment under UPMIFA. As a result of this interpretation, for accounting and financial statement purposes, the Foundation classifies as net assets with restrictions the fair value of the original gift as of the gift date, the original value of subsequent gifts, and any accumulations to the donor-restricted endowments made in accordance with the direction of the applicable gift instruments. Donor-restricted endowments remain net assets with donor restriction until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence defined by UPMIFA.

(b) Endowment Investment and Spending Policies

The Foundation has adopted investment and spending policies for endowment assets that are designated by the Board and intended to provide a predictable stream of funding to programs while seeking to maintain the purchasing power of the Foundation's endowment assets. The Foundation's spending and investment policies work together to achieve this objective. The current long-term return objective is approximately 5.7%, net of investment fees. Actual returns will vary year to year. The Foundation relies on a total return strategy. The investment strategy targets a diversified asset allocation that includes domestic equities, non-U.S. equities, fixed-income, real estate, and private partnerships. The majority of assets are invested in equity or equity-like securities. Fixed-income, real estate, and private partnerships are used to lower short-term volatility. Diversification by asset class, investment

style, investment manager, etc., is employed to avoid undue risk concentration and enhance total return. Investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The spending policy determines the amount of money annually distributed from the Foundation's various endowed funds, for grant making and administration. The amounts to be distributed were subject to limits of no less than 4.0% and no more than 7.0% of the fair value of the assets as of the last of the applicable 12 to 16 quarters. The spending policy is approved on an annual basis by the Board for that subsequent fiscal year. The spending policy in effect for the year ended June 30, 2026, was to distribute an amount equal to 5.2% each year of a rolling four-year average of the fair value of the assets for each calendar quarter end of the four previous years. The spending policy in effect for the year ended June 30, 2025, was to distribute an amount equal to 5.2% each year, of a rolling three-year average of the fair value of the assets for each calendar quarter end of the three previous years.

Endowment net asset composition as of June 30, 2026, is as follows:

	2026		
	Total	Without restrictions	With restrictions
Donor-restricted endowments	$ 84,569	—	84,569
Funds functioning as endowments	717,182	717,182	—
Total	$ 801,751	717,182	84,569

As of June 30, 2026, there were 93 donor-restricted endowment funds and 559 funds functioning as endowments.

Endowment net asset composition as of June 30, 2025 is as follows:

	2025		
	Total	Without restrictions	With restrictions
Donor-restricted endowments	$ 79,661	—	79,661
Funds functioning as endowments	676,766	676,766	—
Total	$ 756,427	676,766	79,661

As of June 30, 2025, there were 92 donor-restricted endowment funds and 552 funds functioning as endowments.

Changes in endowment net assets for the fiscal years ended June 30, 2026 and 2025 are as follows:

	Endowment assets		
	Total	Without restrictions	With restrictions
Endowment net assets, June 30, 2024	$ 716,168	640,997	75,171
Investment return:			
Interest, dividends, and other income	9,764	8,366	1,398
Net unrealized and realized (losses) gain	59,708	51,504	8,204
Total investment return	69,472	59,870	9,602
Contributions	8,366	8,355	11
Appropriation of endowment assets for expenditure	(37,579)	(32,456)	(5,123)
Endowment net assets, June 30, 2025	756,427	676,766	79,661
Investment return:			
Interest, dividends, and other income	11,226	9,577	1,649
Net unrealized and realized (losses) gain	65,703	57,559	8,144
Total investment return	76,929	67,136	9,793
Contributions	11,163	11,163	—
Appropriation of endowment assets for expenditure	(42,768)	(37,883)	(4,885)
Endowment net assets, June 30, 2026	$ 801,751	717,182	84,569

(Continued)

Description of amounts classified as net assets with restrictions is as follows:

		2026	2025
The portion of endowment funds that is required to be retained permanently either by explicit donor stipulation or by UPMIFA	$	60,323	60,323
The portion of endowment funds subject to a time restriction under UPMIFA, without restrictions for spending		24,246	19,338
LA4LA Affordable Housing Fund		9,972	—
Beneficial interests in trusts		38,808	35,401
Contributions receivable		41,479	48,317
Split-interest agreements		6,485	5,993
Total net assets with restrictions	$	181,313	169,372

(c) Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level required by the donor or law, or the historical value of the endowment gift. The aggregated deficiencies of this nature for all donor-restricted endowment funds totaled $280 and $655 as of June 30, 2026 and 2025, respectively.

(12) Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized within the consolidated statement of activities for the years ended June 30, 2026 and 2025 include zero and $849 of contributed real estate, respectively. Contributed real estate is valued using appraisals conducted by professional appraisers certified in the respective industry. All contributed nonfinancial assets received during the years ended June 30, 2026 and 2025 were recognized without donor restrictions. The Foundation’s general practice is to monetize real estate at the earliest available opportunity and limited partnerships depending upon market conditions and donor intent. During the year ended June 30, 2026 and 2025, $849 and $0 of real estate was monetized.

(13) Functional Expenses

The financial statements report certain categories of expenses that are attributable to one or more functions. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries, employee benefits, and occupancy are allocated based on estimates of time and effort. Other natural expense categories are charged to a functional expense category on an invoice by invoice basis based on the nature of the expense.

For the year end June 30, 2026, total expenses were classified by function as follows:

	Program services	Management and general	Development and fundraising	Total
Grants and philanthropic distributions, net	$ 273,753	—	—	273,753
Salaries	6,217	5,941	2,636	14,794
Employee benefits	1,733	1,656	735	4,124
Occupancy	1,285	1,228	545	3,058
Office expenses	426	410	181	1,017
Marketing and communications	7	195	198	400
Consulting and professional services	14,884	4,677	33	19,594
Conference, meetings and travel	504	297	27	828
Other administrative expenses	1,934	748	—	2,682
Total	$ 300,743	15,152	4,355	320,250

For the year-end June 30, 2025, total expenses were classified by function as follows:

	Program services	Management and general	Development and fundraising	Total
Grants and philanthropic distributions, net	$ 351,528	—	—	351,528
Salaries	6,153	4,759	2,010	12,922
Employee benefits	1,718	1,329	561	3,608
Occupancy	1,297	1,004	424	2,725
Office expenses	492	381	161	1,034
Marketing and communications	—	90	103	193
Consulting and professional services	12,342	2,614	46	15,002
Conference, meetings and travel	356	179	33	568
Other administrative expenses	941	904	6	1,851
Total	$ 374,827	11,260	3,344	389,431

(Continued)

(14) Subsequent Events

The Foundation evaluated events or transactions that occurred subsequent to the consolidated balance sheet date through October 20, 2026, the date the accompanying consolidated financial statements were available to be issued.