

The Glaucoma Foundation, Inc.

Audited Financial Statements

December 31, 2023

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Independent Auditor's Report

To the Board of Directors of
The Glaucoma Foundation, Inc.

Opinion

We have audited the accompanying financial statements of The Glaucoma Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year 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 the Foundation as of December 31, 2023, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Report on Summarized Comparative Information

We have previously audited the Foundation's financial statements for the year ended December 31, 2022, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 10, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sax CPAs LLP

New York, NY
June 14, 2024

The Glaucoma Foundation, Inc.

Statement of Financial Position

At December 31, 2023
(With comparative totals at December 31, 2022)

	December 31,	
	2023	2022
ASSETS		
Cash and cash equivalents	\$ 3,593,749	\$ 2,274,826
Investments	-	995,030
Pledges receivable	385,000	25,000
Prepaid expenses and other assets	45,714	48,048
Security deposit	27,796	27,796
Property and equipment, net	1,837	3,973
Operating lease right-of-use asset	89,325	177,456
Investments in limited liability company	172,827	-
Investments held for board designated funds	1,446,172	1,526,534
Investments held for endowments	8,184,184	7,230,963
TOTAL ASSETS	\$ 13,946,604	\$ 12,309,626
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 48,796	\$ 50,382
Grants payable	564,750	315,000
Operating lease liability	96,427	188,835
Total liabilities	709,973	554,217
NET ASSETS		
Without donor restrictions:		
Operations	3,133,934	2,931,408
Board designated for medical research grants	1,097,752	1,168,664
Board designated for educational program reserve	348,420	357,870
Board designated for endowment	3,051,099	2,575,255
Total net assets without donor restrictions	7,631,205	7,033,197
With donor restrictions:		
For future periods and programs	472,355	66,504
Donor restricted endowment	5,133,071	4,655,708
Total net assets with donor restrictions	5,605,426	4,722,212
Total net assets	13,236,631	11,755,409
TOTAL LIABILITIES AND NET ASSETS	\$ 13,946,604	\$ 12,309,626

The attached notes and auditor's report are an integral part of these financial statements.

The Glaucoma Foundation, Inc.

Statement of Activities

For the Year Ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	Without Donor Restrictions	With Donor Restrictions			Total 12/31/23	Total 12/31/22
		Donor Restricted Support	Donor Restricted Endowment	Total		
SUPPORT AND REVENUE						
Contributions	\$ 1,986,112	\$ 690,305	\$ -	\$ 690,305	\$ 2,676,417	\$ 2,557,425
Interest income	196,949	-	-	-	196,949	26,647
Other income	-	-	-	-	-	30,000
Net assets released from restrictions	664,386	(284,454)	(379,932)	(664,386)	-	-
Total support and revenue	2,847,447	405,851	(379,932)	25,919	2,873,366	2,614,072
EXPENSES						
Program services	2,289,664	-	-	-	2,289,664	1,591,392
Supporting services:						
Management and general	172,250	-	-	-	172,250	148,228
Fundraising	292,449	-	-	-	292,449	323,115
Total supporting services	464,699	-	-	-	464,699	471,343
Total expenses	2,754,363	-	-	-	2,754,363	2,062,735
Change in net assets from operating activities	93,084	405,851	(379,932)	25,919	119,003	551,337
Non-operating activities:						
Investment returns	504,924	-	857,295	857,295	1,362,219	(1,148,608)
Total non-operating activities	504,924	-	857,295	857,295	1,362,219	(1,148,608)
Change in net assets	598,008	405,851	477,363	883,214	1,481,222	(597,271)
NET ASSETS, beginning of year	7,033,197	66,504	4,655,708	4,722,212	11,755,409	12,352,680
NET ASSETS, end of year	\$ 7,631,205	\$ 472,355	\$ 5,133,071	\$ 5,605,426	\$ 13,236,631	\$ 11,755,409

The attached notes and auditor's report are an integral part of these financial statements.

The Glaucoma Foundation, Inc.

Statement of Functional Expenses

For the Year Ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	Program Services			Supporting Services			Total Expenses 12/31/23	Total Expenses 12/31/22
	Education	Medical Research	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Salaries	\$ 321,580	\$ 265,600	\$ 587,180	\$ 75,075	\$ 112,982	\$ 188,057	\$ 775,237	\$ 775,989
Payroll taxes and employee benefits	65,336	53,964	119,300	15,255	22,954	38,209	157,509	162,753
Total salaries and related costs	386,916	319,564	706,480	90,330	135,936	226,266	932,746	938,742
Research grants	-	999,750	999,750	-	-	-	999,750	445,000
Think tank conference	-	156,190	156,190	-	-	-	156,190	-
Professional fees	30,875	-	30,875	55,088	30,875	85,963	116,838	94,659
Office expense	17,424	14,390	31,814	4,070	6,121	10,191	42,005	36,674
Direct mail	95,242	-	95,242	-	95,242	95,242	190,484	213,760
Occupancy	39,091	32,286	71,377	9,127	13,734	22,861	94,238	97,822
Postage and shipping	24,130	-	24,130	1,877	-	1,877	26,007	26,767
Conventions and travel	32,317	-	32,317	-	-	-	32,317	12,725
Insurance	3,129	2,584	5,713	731	1,099	1,830	7,543	6,854
Depreciation	886	732	1,618	206	312	518	2,136	2,720
Other	5,675	-	5,675	10,821	9,130	19,951	25,626	40,324
Community outreach	128,483	-	128,483	-	-	-	128,483	146,688
Total expenses	\$ 764,168	\$ 1,525,496	\$ 2,289,664	\$ 172,250	\$ 292,449	\$ 464,699	\$ 2,754,363	\$ 2,062,735

The attached notes and auditor's report are an integral part of these financial statements.

The Glaucoma Foundation, Inc.

Statement of Cash Flows

For the Year Ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	December 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,481,222	\$ (597,271)
Adjustments to reconcile change in net assets to net cash (used for)/provided by operating activities:		
Depreciation	2,136	2,720
Net unrealized and realized (gain)/loss on investments	(1,346,892)	1,135,421
Donated stock	(148,924)	(93,692)
Operating lease right-of-use asset and liability	(4,277)	11,379
Changes in assets and liabilities:		
Pledges receivable	(360,000)	310,782
Prepaid expenses and other assets	2,334	(33,947)
Accounts payable and accrued expenses	(1,586)	3,160
Grants payable	249,750	(228,187)
Deferred rent	-	(8,071)
Total adjustments	<u>(1,607,459)</u>	<u>1,099,565</u>
Net cash (used for)/provided by operating activities	<u>(126,237)</u>	<u>502,294</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	3,431,277	215,698
Purchase of investments/reinvested income	(1,986,117)	(1,102,079)
Purchase of equipment	-	(926)
Net cash provided by/(used for) investing activities	<u>1,445,160</u>	<u>(887,307)</u>
Net increase/(decrease) in cash and cash equivalents	1,318,923	(385,013)
CASH AND CASH EQUIVALENTS, <i>beginning of year</i>	<u>2,274,826</u>	<u>2,659,839</u>
CASH AND CASH EQUIVALENTS, <i>end of year</i>	<u>\$ 3,593,749</u>	<u>\$ 2,274,826</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest and taxes paid	<u>\$ -</u>	<u>\$ -</u>

The attached notes and auditor's report are an integral part of these financial statements.

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 1 - Organization

The Glaucoma Foundation, Inc. (the "Foundation"), incorporated in New York State in 1984, was founded to stimulate and support basic and applied research in glaucoma, to gain and disseminate new information about the biological causes and treatment of glaucoma, and to identify and develop novel approaches to preserve visual function and reversal of blindness caused by glaucoma.

The Foundation fulfills its mission in the following programs:

- Medical research - The Foundation's Grant-in-Aid Program has awarded millions of dollars in seed money for cutting-edge research projects.
- Educational programs - This includes the interdisciplinary Annual International Scientific Think Tank, which brings together some of the world's top scientists and clinicians. These gatherings continue to be a catalyst for setting the course to find new treatments and cures for glaucoma.

The Foundation is a not-for-profit organization and has been notified by the Internal Revenue Service that it is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred.

b. Basis of Presentation

The Foundation reports information regarding its financial position and activities according to the following specific classes of net assets:

- *Net Assets without Donor Restrictions* - represents those resources for which there are no restrictions by donors as to their use. The board has designated funds to be used for the following specific purposes:
 - Medical research grants
 - Educational programs
 - Endowment funds

(See Notes 6 and 7 for details.)

As the funds are internally designated, they are reflected on the financial statements as without donor restrictions.

- *Net Assets with Donor Restrictions* - represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

c. Revenue Recognition

The Foundation follows the requirements of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-605 for recording contributions, which are recognized when deemed unconditional in nature. Contributions are recorded in the net asset classes referred to above depending on the existence and/or nature of any donor-imposed restriction. When a 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. If donor restricted contributions are satisfied in the same period they were received, they are classified as without donor restrictions.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments, or release from obligations, and are recognized as income once the conditions have been substantially met.

Pledges that are expected to be received in less than one year are recorded at net realizable value. Those that are due in greater than one year are recorded at fair value, which is calculated using risk adjusted present value techniques if deemed material. Long-term pledges are considered time restricted until the period they are due, at which time they will be released from restriction and counted towards operations. All pledges receivable as of December 31, 2023 are expected to be received within one year except for \$150,000 which is expected to be received during the year ended December 31, 2025.

Management reviews receivables for collectability based on various factors such as historical trends and subsequent collections. Based on this review, management has deemed that no allowance for doubtful accounts is necessary for the periods ended December 31, 2023 and 2022.

d. Cash and Cash Equivalents

The Foundation considers cash held in checking accounts and money market funds with a maturity of three months or less to be cash and cash equivalents.

e. Concentration of Credit Risk

Financial instruments which potentially subject the Foundation to a concentration of credit risk, consist of cash accounts, which are placed with financial institutions that management deems to be creditworthy. At times and at year end, balances may exceed federally insured limits. While at year end the Foundation had uninsured balances, management feels they have little risk and have not experienced any losses due to bank failure.

f. Investments

Investments are recorded at fair value, which refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investment gains and losses are included as non-operating income.

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

g. Fair Value Measurement

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The fair value hierarchy is categorized into the three levels based on the inputs as follows:

Level 1- Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access.

Level 2- Valuations based on quoted prices in markets that are not active or for which all significant inputs are not observable, either directly or indirectly.

Level 3- Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

h. Property and Equipment

Purchases of furniture, equipment, and other fixed assets that have a useful life of greater than one year and exceed \$3,000 are capitalized at cost or, if donated, at their fair value at the date of the gift. Property and equipment are depreciated using the straight-line method over the estimated useful life of the asset.

i. Leases

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

j. Contributed Services

Donated services are recognized in circumstances when they create or enhance non-financial assets or where those services require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind.

Board members and other individuals volunteer their time and perform a variety of services that assist the Organization. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

k. Management Estimates

The preparation of financial statements in accordance 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. Actual results could differ from those estimates.

l. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The following expenses were allocated using time and effort as the basis:

- Salaries
- Payroll taxes and employee benefits
- Office expense
- Occupancy
- Insurance
- Depreciation

Direct mail is allocated evenly between program and fundraising due to the content distributed in mailings. All other expenses have been charged directly to the applicable program or supporting services.

m. Advertising Costs

Advertising costs are expenses as incurred.

n. Prior Year Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

o. Accounting for Uncertainty of Income Tax

The Foundation does not believe its financial statements include any material uncertain tax positions. Tax filings for periods ending December 31, 2020 and later are subject to examination by applicable taxing authorities.

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 3 - Investments

Investments consist of the following balances from the statement of financial position:

	December 31,	
	2023	2022
Investments	\$ -	\$ 995,030
Investments in limited liability company	172,827	-
Investments held for board designated funds	1,446,172	1,526,534
Investments held for endowments	8,184,184	7,230,963
	<u>\$ 9,803,183</u>	<u>\$ 9,752,527</u>

The following summarizes the composition of investments:

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities - U.S. diversified	\$ 7,629,868	\$ -	\$ -	\$ 7,629,868
Short term treasuries and money market account	1,261,826	-	-	1,261,826
U.S. Treasury securities	-	533,485	-	533,485
U.S. Corporate bonds	-	205,177	-	205,177
Subtotal	<u>\$ 8,891,694</u>	<u>\$ 738,662</u>	<u>\$ -</u>	<u>\$ 9,630,356</u>
Limited liability company held at net asset value				\$ 172,827
Total investments				<u>\$ 9,803,183</u>

During the year ended December 31, 2023, the Foundation invested \$180,000 in a limited liability company that invests in various domestic and international types of securities and derivative financial instruments. This investment is carried at net asset value as a practical expedient. Redemptions of the Foundation's investments in these investment entities vary, but are primarily available at month-end, quarter-end, or year-end with appropriate notice. There can be no assurance that the Foundation will continue the same level of returns on their investments in limited liability companies that they have received in during the past periods or that they will achieve any returns on such investments at all. In addition, there can be no assurance that the Foundation will receive a return of all or any portion of their current or future capital investments in limited liability companies.

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities - U.S. diversified	\$ 6,968,514	\$ -	\$ -	\$ 6,968,514
Short term treasuries and money market account	555,992	-	-	555,992
U.S. Treasury securities	-	1,795,472	-	1,795,472
U.S. Corporate bonds	-	432,549	-	432,549
Total	<u>\$ 7,524,506</u>	<u>\$ 2,228,021</u>	<u>\$ -</u>	<u>\$ 9,752,527</u>

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 3 - Investments - Continued

The following summarizes investment returns:

	December 31,	
	2023	2022
Interest and dividend income	\$ 139,311	\$ 108,819
Investment fees	(123,984)	(122,006)
Realized gain on sales of investments	1,743,550	190,331
Unrealized loss	(396,658)	(1,325,752)
Total	<u>\$ 1,362,219</u>	<u>\$ (1,148,608)</u>

Note 4 - Property and Equipment

Property and equipment consist of the following:

	December 31,	
	2023	2022
Computer software (5 years)	\$ 37,027	\$ 37,027
Furniture and equipment (5 years)	60,411	60,411
	<u>97,438</u>	<u>97,438</u>
Less: accumulated depreciation	(95,601)	(93,465)
Total property and equipment, net	<u>\$ 1,837</u>	<u>\$ 3,973</u>

Note 5 - Operating Lease Right-of-Use Asset and Operating Lease Liability

The Foundation evaluated current contracts to determine which met the criteria of a lease. The Foundation leases office space in New York, NY under a non-cancelable lease which expires on December 31, 2024 and has been determined to be an operating lease. The lease term does not include any extension options.

The ROU assets represent the Foundation's right to use the underlying asset for the lease term, and the lease liabilities represent the Foundation's obligation to make lease payments arising from this lease. The ROU assets and lease liabilities were calculated based on the present value of future lease payments over the lease terms. The Foundation has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted average discount rate applied to calculate lease liabilities as of December 31, 2023 and 2022 is 1.27%. The weighted average lease term as of December 31, 2023 and 2022 is one and two years, respectively.

For the year ended December 31, 2023 and 2022, total operating lease cost was \$89,889. There were no short-term lease costs during the years ended December 31, 2023 and 2022.

Cash paid for operating leases for the years ended December 31, 2023 and 2022 was \$94,166 and \$91,423, respectively. There were no noncash investing and financing transactions related to leasing. The remaining liability is due by December 31, 2024 which is when the lease expires.

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 6 - Investments Held for Board Designated Funds

Changes in board designated net assets were as follows:

	December 31, 2023		
	Medical Research	Education	Total
Net assets, beginning of year	\$ 1,168,664	\$ 357,870	\$ 1,526,534
Release from designation for program spending	(500,000)	(62,000)	(562,000)
Interest and dividend income	55,694	7,275	62,969
Net gain/(loss) on investments	(6,538)	45,275	38,737
Appropriated from endowment	379,932	-	379,932
Total	<u>\$ 1,097,752</u>	<u>\$ 348,420</u>	<u>\$ 1,446,172</u>

	December 31, 2022		
	Medical Research	Education	Total
Net assets, beginning of year	\$ 939,599	\$ 405,092	\$ 1,344,691
Interest and dividend income	8,973	5,544	14,517
Net gain on investments	6,538	(52,766)	(46,228)
Appropriated from endowment	213,554	-	213,554
Total	<u>\$ 1,168,664</u>	<u>\$ 357,870</u>	<u>\$ 1,526,534</u>

Note 7 - Investments Held for Endowments

The Foundation's endowment includes donor restricted individual and corporate funds to be held indefinitely and board designated funds for the growth of the endowment and research grants. The income from the donor restricted investments can be used to support the Foundation's research reserve for medical research grants.

Interpretation of Relevant Law

The Foundation follows New York State adopted New York Prudent Management of Institutional Funds Act ("NYPMIFA"), which the Foundation has interpreted as requiring certain amounts to be retained in perpetuity. Absent explicit donor stipulations to the contrary, the Foundation will preserve the fair value of the original gift as of the gift date of all donor restricted endowment funds. However, under certain circumstances, the Foundation has the right to appropriate for expenditure the fair value of the original gift in a manner consistent with the standard of prudence specifically prescribed by NYPMIFA.

As a result of this interpretation, the Foundation classifies as endowment corpus (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the donor's intention.

When endowment funds have earnings in excess of amounts that need to be retained as part of the corpus, their earnings are restricted until the board appropriates for expenditure, therefore, they have been classified in the class of net assets with donor restrictions.

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 7 - Investments Held for Endowments - Continued

Spending Policies

In accordance with NYPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Foundation and the donor restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Foundation
- (7) The investment policies of the Foundation
- (8) Where appropriate and circumstances would otherwise warrant alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Foundation

The Foundation's spending policy allows for semi-annual distributions of 2.5% of the previous year's balance to fund Glaucoma research if the total market valuation of the endowment assets is above \$5,000,000.

Changes in endowment net assets were as follows:

	December 31, 2023				
	Board	Donor Restricted Endowment			Total
	Designated Endowment	Endowment Corpus	Endowment Earnings	Total	
Endowment net assets, beginning of year	\$ 2,575,255	\$ 1,550,187	\$ 3,105,521	\$ 4,655,708	\$ 7,230,963
Appropriations (for medical research)	-	-	(379,932)	(379,932)	(379,932)
Interest and dividend income	45,959	-	83,689	83,689	129,648
Net gain on investments	429,885	-	773,606	773,606	1,203,491
Endowment net assets, end of year	<u>\$ 3,051,099</u>	<u>\$ 1,550,187</u>	<u>\$ 3,582,884</u>	<u>\$ 5,133,071</u>	<u>\$ 8,184,170</u>
	December 31, 2022				
	Board	Donor Restricted Endowment			Total
	Designated Endowment	Endowment Corpus	Endowment Earnings	Total	
Endowment net assets, beginning of year	\$ 2,963,299	\$ 1,550,187	\$ 4,049,698	\$ 5,599,885	\$ 8,563,184
Appropriations (for medical research)	178	-	(213,554)	(213,554)	(213,376)
Interest and dividend income	36,109	-	68,247	68,247	104,356
Net loss on investments	(424,331)	-	(798,870)	(798,870)	(1,223,201)
Endowment net assets, end of year	<u>\$ 2,575,255</u>	<u>\$ 1,550,187</u>	<u>\$ 3,105,521</u>	<u>\$ 4,655,708</u>	<u>\$ 7,230,963</u>

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 7 - Investments Held for Endowments - Continued

Funds with Deficiencies

From time to time, the fair market value of assets associated with the individual donor restricted endowment funds may fall below the level that the donor or NYPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2023 and 2022.

Note 8 - Net Assets with Donor Restrictions

The following summarizes the nature of net assets with donor restrictions:

	December 31,	
	2023	2022
Endowment:		
Corpus:		
Joe LaMotta research endowment	\$ 1,530,187	\$ 1,530,187
DM Mendelsohn endowment	20,000	20,000
Total corpus	<u>1,550,187</u>	<u>1,550,187</u>
Endowment earnings:		
Joe LaMotta research endowment	3,580,617	3,104,236
DM Mendelsohn endowment	2,267	1,285
Total endowment earnings	<u>3,582,884</u>	<u>3,105,521</u>
Total endowment	<u>5,133,071</u>	<u>4,655,708</u>
Program restrictions:		
Research grants	175,000	-
Fellowships	50,000	50,000
Public service announcements	-	9,004
Patient assistance program	2,355	7,500
Total program restrictions	<u>227,355</u>	<u>66,504</u>
Time restrictions	<u>245,000</u>	-
Total net assets with donor restrictions	<u>\$ 5,605,426</u>	<u>\$ 4,722,212</u>

The following summarizes net assets released from restrictions:

	December 31,	
	2023	2022
Joe LaMotta research endowment -		
Appropriations	\$ 379,932	\$ 213,554
Program restrictions:		
Research grants	200,000	161,949
Fellowships	50,000	40,000
Public service announcements	29,309	14,839
Patient assistance program	5,145	-
Total program restrictions	<u>284,454</u>	<u>216,788</u>
Time restrictions	-	125,000
Total released from restriction	<u>\$ 664,386</u>	<u>\$ 555,342</u>

The Glaucoma Foundation, Inc.

Notes to Financial Statements

December 31, 2023

Note 9 - Availability and Liquidity

The following reflects the Foundation's financial assets at December 31, 2023 that are available to meet cash needs for general expenditures within one year:

Financial assets at year end:

Cash and cash equivalents	\$ 3,593,749	
Pledges receivable - due within one year	<u>235,000</u>	
Total financial assets		3,828,749

Less: amounts not available for general expenditures:

Donor contributions restricted for future periods and programs	<u>(322,355)</u>	
Total amounts not available for general expenditures		<u>(322,355)</u>

Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 3,506,394</u>
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The Foundation's endowment funds are held for long-term purposes and consist of donor-restricted endowments and a board designated endowment. Therefore, these assets are not considered available for general expenditures.

Note 10 - Retirement Plan

The Foundation offers a SIMPLE IRA retirement plan, which allows all employees who earn at least \$5,000 during the preceding calendar year and expect to earn \$5,000 in the current calendar year, to participate. Employees may elect to defer a portion of their salary and contribute to this plan up to statutory amounts on a monthly basis. The employer will contribute a matching contribution equal to the employee's deferrals, limited to 3% of the employee's compensation for the calendar year. Contributions made by the Foundation to the plan totaled \$23,230 and \$23,158 during the years ended December 31, 2023 and 2022, respectively.

Note 11 - Subsequent Events

Subsequent events have been evaluated through June 14, 2024, the date the financial statements were available to be issued. There were no material events that have occurred that require adjustment to, or disclosure in, the financial statements.