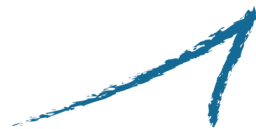


# **FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA**

**Princeton, New Jersey**

## **FINANCIAL REPORT**

**For the Years Ended  
December 31, 2023 and 2022**



**insero&co**

Certified Public Accountants | Business Advisors

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# ***U.S. FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Foundation of the University  
of the Valley of Guatemala  
Princeton, New Jersey

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Foundation of the University of the Valley of Guatemala (the Foundation), which comprise the Statements of Financial Position as of December 31, 2023 and 2022, the related Statements of Activities, Functional Expenses, and Cash Flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Foundation of the University of the Valley of Guatemala, as of December 31, 2023 and 2022, and the changes in its 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) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' 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.

#### **Management's Responsibility for the Financial Statements**

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

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.

### **Auditors' 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 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 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, including omissions, 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 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.

### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary financial information in Schedules A through D 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 supplementary financial information in Schedules A through D is fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standard***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 2, 2024, on our consideration of Foundation of the University of the Valley of Guatemala'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 solely 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 Foundation of the University of the Valley of Guatemala'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 Foundation of the University of the Valley of Guatemala's internal control over financing reporting and compliance.

Respectfully submitted,



Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
April 2, 2024

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **STATEMENTS OF FINANCIAL POSITION DECEMBER 31,**

	2023	2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents:		
Cash - Restricted - ASHA Grant	\$ 4,581	\$ 4,881
Cash - Restricted - Endowment	395,150	266,852
Cash - Restricted - Other Grants	418,895	218,656
<b>Total Cash and Cash Equivalents</b>	<b>818,626</b>	<b>490,389</b>
Contributions Receivable	12,170	11,552
Grant Receivable	94,029	162,575
Accrued Income on Investments	9,495	9,514
Prepaid Expenses	2,302	1,094
<b>Total Current Assets</b>	<b>936,622</b>	<b>675,124</b>
<b>Other Assets</b>		
Investments	4,204,121	4,223,471
<b>Total Assets</b>	<b>\$ 5,140,743</b>	<b>\$ 4,898,595</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Overdraft Account - Operating Account	\$ 267,384	\$ 101,212
Accrued Liabilities	94,670	162,575
<b>Total Liabilities</b>	<b>362,054</b>	<b>263,787</b>
<b>NET ASSETS</b>		
<b>Net Assets Without Donor Restrictions</b>		
General Fund	13,508	51,023
Board Designated - Endowments	2,269,601	2,450,887
Board Designated - Unrealized Gain on Investments	576,926	400,673
<b>Total Net Assets Without Donor Restrictions</b>	<b>2,860,035</b>	<b>2,902,583</b>
<b>Net Assets With Donor Restrictions</b>		
ASHA	98,804	4,775
Other Grants and Contributions	143,698	125,213
Endowment Funds	1,676,152	1,602,237
<b>Total Net Assets With Donor Restrictions</b>	<b>1,918,654</b>	<b>1,732,225</b>
<b>Total Net Assets</b>	<b>4,778,689</b>	<b>4,634,808</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 5,140,743</b>	<b>\$ 4,898,595</b>

*See Notes to Financial Statements*

# **FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA**

## **STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31,**

	2023						2022					
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions				Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions				Total
		American Schools and Hospitals Abroad	Other Grants and Contributions	Endowments	Income Earned on Endowments			American Schools and Hospitals Abroad	Other Grants and Contributions	Endowments	Income Earned on Endowments	
<b>Revenue</b>												
Contributions	\$ 73,149	\$ -	\$ 150,705	\$ 66,914	\$ -	\$ 290,768	\$ 58,457	\$ -	\$ 85,394	\$ 45,666	\$ -	\$ 189,517
Contributions - In-Kind	5,762	-	-	-	-	5,762	1,582	-	-	-	-	1,582
Grant - ASHA	-	533,648	-	-	-	533,648	-	747,823	-	-	-	747,823
Interest and Dividends, Net of Fees Realized/Unrealized Gain/ (Loss) on Investments	61,417	-	-	-	35,461	96,878	45,408	-	-	-	25,147	70,555
Net Assets Released from Restrictions: Restrictions Satisfied by Payments	334,346	-	-	-	32,549	366,895	(292,047)	-	-	-	(367,485)	(659,532)
	<b>632,848</b>	<b>(439,619)</b>	<b>(132,220)</b>	<b>-</b>	<b>(61,009)</b>	<b>-</b>	<b>959,684</b>	<b>(743,048)</b>	<b>(145,964)</b>	<b>-</b>	<b>(70,672)</b>	<b>-</b>
<b>Total Revenue</b>	<b>1,107,522</b>	<b>94,029</b>	<b>18,485</b>	<b>66,914</b>	<b>7,001</b>	<b>1,293,951</b>	<b>773,084</b>	<b>4,775</b>	<b>(60,570)</b>	<b>45,666</b>	<b>(413,010)</b>	<b>349,945</b>
<b>Expenses</b>												
Program Services	896,802	-	-	-	-	896,802	1,135,113	-	-	-	-	1,135,113
Management and General	253,268	-	-	-	-	253,268	199,690	-	-	-	-	199,690
<b>Total Expenses</b>	<b>1,150,070</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,150,070</b>	<b>1,334,803</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,334,803</b>
Change in Net Assets	(42,548)	94,029	18,485	66,914	7,001	143,881	(561,719)	4,775	(60,570)	45,666	(413,010)	(984,858)
Net Assets, January 1,	2,902,583	4,775	125,213	2,188,358	(586,121)	4,634,808	3,464,302	-	185,783	2,142,692	(173,111)	5,619,666
<b>Net Assets, December 31,</b>	<b>\$ 2,860,035</b>	<b>\$ 98,804</b>	<b>\$ 143,698</b>	<b>\$ 2,255,272</b>	<b>\$ (579,120)</b>	<b>\$ 4,778,689</b>	<b>\$ 2,902,583</b>	<b>\$ 4,775</b>	<b>\$ 125,213</b>	<b>\$ 2,188,358</b>	<b>\$ (586,121)</b>	<b>\$ 4,634,808</b>

*See Notes to Financial Statements*

# **FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA**

## **STATEMENTS OF FUNCTIONAL EXPENSES FOR THE YEARS ENDED DECEMBER 31,**

	2023			2022				
	Program Services	Management and General		Total	Program Services	Management and General		Total
		Administrative Expense	Development Expense			Administrative Expense	Development Expense	
<b>Grants</b>								
Grant Expense - ASHA	\$ 533,648	\$ -	\$ -	\$ 533,648	\$ 747,823	\$ -	\$ -	\$ 747,823
Grants Expense - Other	363,154	-	-	363,154	387,290	-	-	387,290
<b>Total Grants</b>	<b>896,802</b>	-	-	<b>896,802</b>	1,135,113	-	-	1,135,113
<b>Payroll Costs</b>								
Salary and Payroll Taxes	-	40,863	40,864	81,727	-	43,438	43,438	86,876
<b>Total Payroll Costs</b>	-	40,863	40,864	81,727	-	43,438	43,438	86,876
<b>Administrative Support</b>								
Audit/Tax	-	51,750	-	51,750	-	27,000	-	27,000
Bookkeeping/Accounting	-	24,221	24,221	48,442	-	22,964	22,964	45,928
Legal Fees	-	5,885	-	5,885	-	5,264	-	5,264
Payroll Processing Fees	-	1,252	1,252	2,504	-	1,152	1,153	2,305
Supplies, Telephone, Postage, and Copying	-	2,234	-	2,234	-	2,644	-	2,644
Filing, Bank, and Credit Card Fees	-	2,131	-	2,131	-	2,970	-	2,970
Computer and Consulting Expense	-	1,006	-	1,006	-	2,181	-	2,181
Board Meetings	-	13,391	-	13,391	-	8,866	-	8,866
<b>Total Administrative Support</b>	-	101,870	25,473	127,343	-	73,041	24,117	97,158
<b>Travel</b>								
US	-	-	16,883	16,883	-	-	1,534	1,534
<b>Total Travel</b>	-	-	16,883	16,883	-	-	1,534	1,534
<b>Office Expenses</b>								
Supplies	-	873	-	873	-	744	-	744
Postage/Copying	-	-	-	-	-	-	-	-
Internet Support/Website Hosting	-	6,753	-	6,753	-	7,241	-	7,241
<b>Total Office Expenses</b>	-	7,626	-	7,626	-	7,985	-	7,985
<b>Other Expenses</b>								
Bonding/Insurance	-	1,905	1,905	3,810	-	2,222	2,222	4,444
Marketing and Development	-	-	15,879	15,879	-	-	1,693	1,693
<b>Total Other Expenses</b>	-	1,905	17,784	19,689	-	2,222	3,915	6,137
<b>Total Expenses</b>	<b>\$ 896,802</b>	<b>\$ 152,264</b>	<b>\$ 101,004</b>	<b>\$ 1,150,070</b>	<b>\$ 1,135,113</b>	<b>\$ 126,686</b>	<b>\$ 73,004</b>	<b>\$ 1,334,803</b>

*See Notes to Financial Statements*



# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31,**

	<u>2023</u>	<u>2022</u>
<b>Cash Flows From Operating Activities</b>		
Change in Net Assets	\$ 143,881	\$ (984,858)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Realized and Unrealized (Gain) Loss on Investments	(366,895)	659,532
(Increase) Decrease in Current Assets:		
Contributions Receivable	(618)	4,638
Grant Receivable	68,546	355,389
Accrued Income on Investments	19	1,856
Prepaid Expenses	(1,208)	841
Increase (Decrease) in Current Liabilities:		
Deferred Revenue	-	(4,775)
Overdraft Account	166,172	(221,554)
Accrued Liabilities	(67,905)	(355,389)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(58,008)</u>	<u>(544,320)</u>
<b>Cash Flows From Investing Activities</b>		
Proceeds From Sale of Investments	1,196,883	776,231
Purchase of Investments	(810,638)	(311,350)
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>386,245</u>	<u>464,881</u>
<b>Cash Flows From Financing Activities</b>	<u>-</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	328,237	(79,439)
Cash and Cash Equivalents, January 1,	<u>490,389</u>	<u>569,828</u>
<b>Cash and Cash Equivalents, December 31,</b>	<u><u>\$ 818,626</u></u>	<u><u>\$ 490,389</u></u>

*See Notes to Financial Statements*

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### ***Note 1* Nature of Activities and Summary of Significant Accounting Policies**

#### **Nature of Activities**

The Foundation of the University of the Valley of Guatemala (the Foundation) was organized in 1977 in Delaware. The purpose of the Foundation is to support the University of the Valley of Guatemala (the University), which provides undergraduate and graduate university training to meet the needs of Guatemala and Central America for the promotion of economic, cultural, and social development. The University offers extensive programs in the natural sciences, social sciences, and humanities to complement the professional training traditionally provided by other universities.

#### **Basis of Accounting**

The Foundation's policy is to prepare its financial statements on the accrual basis of accounting. Revenues are recognized in the period in which they are earned. Expenses are recognized in the period in which the related liability is incurred.

#### **Basis of Presentation**

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

- **Net Assets Without Donor Restrictions**

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Foundation's management and the Board of Directors.

- **Net Assets With Donor Restrictions**

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statements of Activities.

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### ***Note 1* Nature of Activities and Summary of Significant Accounting Policies - Continued**

#### **Funds/Net Assets**

The Foundation uses fund accounting, which requires funds, such as its operating funds, be classified separately for accounting and reporting purposes. The following funds are used by the Foundation.

#### **Net Assets Without Donor Restrictions**

- General Fund (Working Capital Fund) - Operating expenses of the Foundation.
- Board Designated Endowments - Funds restricted by the Board for substantial gifts not formally restricted by the donor.
- Board Designated - Unrealized gain on investments.

During 2015, the Foundation received \$2,583,000 from the Estate of Calvin Hughes. The Board, in turn, established the Cal Hughes Memorial Fund endowment which specifies funds be used exclusively for UVG-Altiplano scholarships for the Maya. Should the campus cease to exist, a contingency states funds could then be used for scholarships of the Maya at the UVG-South Coast Campus or elsewhere as applicable and approved by the Foundation Board; and that the annual payout from the fund be aligned with the payout rate by the Board for the rest of the Foundation endowment.

#### **Net Assets With Donor Restrictions - Time or Purpose Restrictions**

- American Schools and Hospitals Abroad (ASHA) - Accounts for the U.S. Agency for International Development (AID) grant, which reimburses approved program costs incurred by the University.
- Other Grants and Contributions - Accounts for other restricted grants and contributions.
- Income Earned on Endowments - Accounts for endowment earnings which can be expended through grants.

#### **Net Assets With Donor Restrictions - Endowment Funds**

- Friends of the Foundation (formerly General Endowment) - Established in 1995 by the Board of Directors, with contributions, interest, and dividends to be distributed annually at the discretion of the Directors (\$15,000 minimum balance required).

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### ***Note 1* Nature of Activities and Summary of Significant Accounting Policies - Continued**

#### **Net Assets With Donor Restrictions Endowment Funds - Continued**

- Sanchez Fund (Victoria D. de Sanchez Scholarship Fund) - Endowed fund established to provide scholarships for rural educators enrolled in the Profesorado program.
- Pardo Fund - Endowed fund established in 1992 in memory of Joaquin Pardo, the modern father of Archivo General de Centroamerica. Funds used to support the Department of History.
- Kidder Fund - Endowed fund established in 1983 to support the Chair of Archaeology at the University. Contributions, interest, and dividend income are distributed to the Chair at the discretion of the Foundation's Board of Directors. The recipient of the Chair has sole discretion over the funds once they are transferred to the University.
- Reader's Digest (SRD) Fund - Endowed fund established to provide scholarships to students attending the University.
- Blackburn-Hughes Scholarship Fund - Endowed fund established in 1993 to provide scholarships, student assistance, grants, and/or loans to students attending the University from low and middle-income families.
- Jeanne M. Blackburn Fund - Endowed fund established in 1998 to support the arts and the Music Department at the University.
- Texaco Fund - Established by a gift from Texaco to provide scholarships for economically disadvantaged students.
- Edwin M. Shook Fund - Endowed fund established in 1998 to help support the Virginia B. Shook Archeological library, including costs of a librarian, archival expenses, maintenance, and other library expenses - to provide funds for the care and maintenance of existing volumes, the acquisition of additional volumes including journals, and financial support of the staff working on the care, supervision, and maintenance of the library.
- Philip B. Taylor Fund - Endowed fund established in 2001 to provide a \$2,500 scholarship to qualified students in good standing studying for a Licenciatura degree in Computer Science. Awards are to be expended from the fund's income when the fund reaches \$50,000.
- In-Service Teachers Empowerment Fund - Endowed fund established by a gift in 2004 by Jeanne Blackburn to provide need-based transportation and scholarship grants to enrolled primary-level teachers in the final three semesters of their study program.

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### ***Note 1* Nature of Activities and Summary of Significant Accounting Policies - Continued**

#### **Net Assets With Donor Restrictions Endowment Funds - Continued**

- Miriam Rosengarten Fund - Endowed fund established in 2007 to provide for a Chair in the name of Frederic and Miriam O. Rosengarten in tropical research and cultivation. Income from this bequest is to be utilized strictly for scholarships for students studying the same.
- Nottebohm Scholarship Fund - Endowed fund established in 2007 to provide financial support for students attending any of the UVG campuses. Each year, a maximum of 5% of the Endowment's value on December 31 of the previous year can be allocated for scholarship support. Annual scholarship funding cannot deplete the principal amount of the Endowment.
- Rosengarten-Horowitz Fund - Endowed fund established in 2007 to provide scholarship financial support for students at any UVG campus.
- Thomas Stroock Scholarship Fund - Endowed fund established in 2010 to provide scholarships. One half of the income is to be used to support the Central Campus library. The other half is to be used to provide fellowships or scholarships for Guatemalan university students or professors to study or teach in the State of Wyoming.
- Katherine Terrell Fund - Endowed fund established in 2013 to provide scholarships to female students at UVG-Altiplano.
- Berkeley Freeman Cone Fund - Established in 2017 to provide scholarship financial support for students at UVG-Altiplano.

#### **Cash and Cash Equivalents**

For purposes of the Statements of Financial Position and Statements of Cash Flows, the Foundation considers time deposits with an original maturity of three months or less to be cash equivalents.

#### **Investments**

The Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities.

#### **Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### ***Note 1* Nature of Activities and Summary of Significant Accounting Policies - Continued**

#### **Donations**

Securities and materials donated to the Foundation are valued at estimated fair market value at the date of donation and recorded as a contributed asset.

#### **Investment Pools**

The Foundation maintains a master investment account for its endowments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated quarterly to the individual endowments based on the relationship of the market value of each endowment to the total market value of the master investment account, as adjusted for additions to or deductions from those accounts.

#### **Federal Income Tax**

The Foundation is a nonprofit organization that is exempt from income taxes under §501(c)(3) of the Internal Revenue Code. In addition, the Foundation qualifies for the charitable deduction under §170(b)(1) (A) and has been classified as an agency that is not a private foundation.

#### **Natural and Functional Expenses**

Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14 requires the Foundation to provide an analysis of expenses by both natural and functional classification. Natural expenses are defined by their nature, such as salaries, rent, and supplies. Functional expenses are classified by the type of activity for which expenses were incurred; program, administration, or fundraising. Management has analyzed the direct expenses and categorized them according to their functional use. Expenses incurred for multiple functions have been allocated based on reasonable estimates of time and effort.

#### **Recent Accounting Pronouncements**

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments – Credit Losses: Measurement of Credit Losses on Financial Instruments” (Topic 326). ASU 2016-13 improves transparency and comparability among companies by recognizing lease assets and leases liabilities on the statement of financial position by disclosing key information about leasing arrangements. ASU 2016-13 requires a lessee to recognize on the statement of financial position a liability to make lease payments and a right of use asset representing its right to use the underlying asset for the lease term for both finance and operating lease. The guidance is effect for financial statements issued for fiscal years beginning after December 2022. The Foundation has reviewed its current leasing agreements and determined those agreements to be either short-term in nature or immaterial to the financial statements. As a result, no assets or liabilities were recorded.

#### **Evaluation of Subsequent Events**

Foundation management has evaluated subsequent events and transactions for potential recording or disclosure in the financial statements through April 2, 2024 the date on which the financial statements were available to be issued.

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

**Note 2 Concentration of Credit Risk Arising From Cash Deposits**

The Foundation maintains, at various financial institutions, cash and cash equivalents, which may at times exceed federally insured amounts of \$250,000 per institution.

**Note 3 Grants From the United States Government**

In 2018, the Foundation was awarded a grant in the amount of \$1,100,000 from ASHA (72ASHA19GR00010) for commodities. Expenses amounted to \$175,036 and \$433,112 for the years ended December 31, 2023 and 2022, respectively. \$-0- remains to be spent at December 31, 2023.

In 2021, the Foundation was awarded a grant in the amount of \$900,000 from ASHA (72ASHA20GR00012) for commodities. Expenses amounted to \$358,612 and \$299,676 for the years ended December 31, 2023 and 2022, respectively. \$241,712 remains to be spent at December 31, 2023.

In 2022, the Foundation was awarded a grant in the amount of \$1,400,000 from ASHA (72ASHA21GR00010) for commodities. Expenses amounted to \$-0- and \$-0- for the years ended December 31, 2023 and 2022, respectively. \$1,400,000 remains to be spent at December 31, 2023.

In 2023, the Foundation was awarded a grant in the amount of \$2,000,000 from ASHA (720DD122GR00010) for commodities. Expenses amounted to \$-0- and \$-0- for the years ended December 31, 2023 and 2022, respectively. \$2,000,000 remains to be spent at December 31, 2023.

**Note 4 Investments**

Investments consist of marketable securities which are stated at fair value in the financial statements. Cost and fair value of investments at December 31, were as follows:

	<b>2023</b>		
	<b>Cost</b>	<b>Fair Value</b>	<b>Excess of Fair Value Over Cost</b>
Fixed Income, Equities, and Commodities	<b>\$ 3,336,923</b>	<b>\$ 4,204,121</b>	<b>\$ 867,198</b>
	<b>2022</b>		
	<b>Cost</b>	<b>Fair Value</b>	<b>Excess of Fair Value Over Cost</b>
Fixed Income, Equities, and Commodities	<b>\$ 3,634,186</b>	<b>\$ 4,223,471</b>	<b>\$ 589,285</b>

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### ***Note 4* Investments - Continued**

#### **Market Risk**

Future changes in market prices may make a financial instrument less valuable. Ownership interest is subject to the risk of loss from a decrease in value due to interest rate fluctuations that may result in a decline that is other than temporary.

### ***Note 5* Fair Value Measurements**

FASB Accounting Standards Codification (ASC) 820, “Fair Value Measurements and Disclosures,” establishes a framework for measuring fair value. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 Measurements). The three levels of the fair value hierarchy under FASB ASC 820 are as follows.

**Level 1** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets the Foundation has the ability to access.

**Level 2** Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs derived principally from or corroborated observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

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



# **FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA**

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

**Note 5 Fair Value Measurements - Continued**

The following sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value at December 31,:

	<b>2023</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
<b>Equities</b>			
Equity Funds	\$ 1,150,446	\$ -	\$ 1,150,446
Consumer Discretionary	103,035	-	103,035
Consumer Staples	121,411	-	121,411
Energy	41,992	-	41,992
Financials	151,689	-	151,689
Health Care	159,365	-	159,365
Industrials	106,013	-	106,013
Information Technology	401,802	-	401,802
Materials	47,078	-	47,078
Real Estate	12,095	-	12,095
Telecommunication Services	68,468	-	68,468
Utilities	27,922	-	27,922
Investment Grade Taxable	-	1,812,805	1,812,805
<b>Total Investments</b>	<b>2,391,316</b>	<b>1,812,805</b>	<b>4,204,121</b>
Money Market	268,199	-	268,199
Temporary Overnight Deposit	38,296	-	38,296
<b>Total Assets at Fair Value</b>	<b>\$ 2,697,811</b>	<b>\$ 1,812,805</b>	<b>\$ 4,510,616</b>
	<b>2022</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
<b>Equities</b>			
Equity Funds	\$ 922,416	\$ -	\$ 922,416
Consumer Discretionary	169,485	-	169,485
Consumer Staples	149,284	-	149,284
Energy	120,466	-	120,466
Financials	185,101	-	185,101
Health Care	235,463	-	235,463
Industrials	148,313	-	148,313
Information Technology	342,242	-	342,242
Materials	70,252	-	70,252
Real Estate	14,242	-	14,242
Telecommunication Services	51,177	-	51,177
Utilities	49,906	-	49,906
Investment Grade Taxable	-	1,765,124	1,765,124
<b>Total Investments</b>	<b>2,458,347</b>	<b>1,765,124</b>	<b>4,223,471</b>
Money Market	211,898	-	211,898
Temporary Overnight Deposit	26,689	-	26,689
<b>Total Assets at Fair Value</b>	<b>\$ 2,696,934</b>	<b>\$ 1,765,124</b>	<b>\$ 4,462,058</b>

# **FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA**

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

**Note 6 Net Assets With Donor Restrictions - Endowments**

Net assets/endowments were restricted for the following funds at December 31,:

	2023		
	Principal Portion	Expendable Interest	Total Balance
Friends of USFUVG	\$ 5,845	\$ 2,609	\$ 8,454
Sanchez Fund	14,600	(5,850)	8,750
Pardo Fund	235,526	(115,595)	119,931
Kidder Fund	272,748	(122,497)	150,251
SRD Fund	59,176	(32,990)	26,186
Blackburn-Hughes Fund	74,881	(36,823)	38,058
Jeanne M. Blackburn Fund	44,285	(29,368)	14,917
Texaco Fund	40,000	(23,199)	16,801
Shook Fund	189,970	(111,440)	78,530
Taylor Scholarship Fund	62,044	(43,396)	18,648
In-Service Teachers Empowerment Fund	57,987	(39,545)	18,442
Miriam Rosengarten Fund	100,000	(56,460)	43,540
Nottebohm Scholarship Fund	391,050	(60,573)	330,477
Rosengarten-Horowitz Fund	12,000	(6,774)	5,226
Thomas Stroock Scholarship Fund	400,000	(126,084)	273,916
Katherine Terrell Scholarship Fund	46,000	(13,902)	32,098
Berkeley Freeman Cone Scholarship Fund	249,160	(47,504)	201,656
	<b>\$ 2,255,272</b>	<b>\$ (869,391)</b>	<b>1,385,881</b>
Adjustments for Fair Value			290,271
<b>Total Fair Value of Endowments</b>			<b>\$ 1,676,152</b>
	2022		
	Principal Portion	Expendable Interest	Total Balance
Friends of USFUVG	\$ 5,845	\$ 3,400	\$ 9,245
Sanchez Fund	14,600	(5,032)	9,568
Pardo Fund	235,526	(104,380)	131,146
Kidder Fund	272,748	(108,448)	164,300
SRD Fund	59,176	(30,542)	28,634
Blackburn-Hughes Fund	74,881	(33,393)	41,488
Jeanne M. Blackburn Fund	44,285	(27,951)	16,334
Texaco Fund	40,000	(21,628)	18,372
Shook Fund	189,970	(104,097)	85,873
Taylor Scholarship Fund	62,044	(41,653)	20,391
In-Service Teacher Empowerment Fund	57,987	(37,800)	20,187
Miriam Rosengarten Fund	100,000	(52,400)	47,600
Nottebohm Scholarship Fund	341,050	(48,741)	292,309
Rosengarten-Horowitz Fund	12,000	(6,287)	5,713
Thomas Stroock Scholarship Fund	400,000	(107,533)	292,467
Katherine Terrell Scholarship Fund	46,000	(11,486)	34,514
Berkeley Freeman Cone Scholarship Fund	232,246	(36,762)	195,484
	<b>\$ 2,188,358</b>	<b>\$ (774,733)</b>	1,413,625
Adjustments for Fair Value			188,612
<b>Total Fair Value of Endowments</b>			<b>\$ 1,602,237</b>

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### ***Note 6* Net Assets With Donor Restrictions - Endowments - Continued**

In August 2008, FASB Staff Position FAS 117-1, “Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the UPMIFA (Uniform Prudent Management of Institutional Funds Act of 2006) and Enhanced Disclosures for All Endowment Funds,” was issued and adopted by the Foundation.

As shown, the Foundation has 17 individual endowment funds, which are donor-restricted, and the net assets associated with them, have been classified as follows:

- Endowments – Accounts for the original value of gifts donated to the permanent endowment by explicit donor stipulation.
- Restricted by Donors With Purpose or Time Restrictions – Accounts for the accumulated unspent earnings associated with the endowment gifts, in accordance with the direction of the applicable donor gift instrument.

In addition, the Foundation has one Board Designated Endowment restricted by the Board for substantial gifts not formally restricted by the donor.

### **Interpretation of Relevant Law**

In accordance with the *Uniform Prudent Management of Institutional Funds Act*, the Foundation does consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- Duration and preservation of the funds;
- Purposes of the Foundation and the donor-restricted endowment funds;
- General economic conditions;
- Possible effects of inflation and deflation;
- Expected total return from income and the appreciation of investments;
- Other resources of the Foundation;
- 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; and
- Investment policies of the Foundation

### **Funds With Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration.

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### ***Note 6* Net Assets With Donor Restrictions - Endowments - Continued**

#### **Return Objectives and Risk Parameters**

The Foundation's Board of Directors has adopted an Investment Policy Statement (the Policy), which is the governing document for the Investment Manager, US Trust/Bank of America, and details objectives, risk tolerance, and spending requirements. The objectives of the Foundation are to 1) increase the availability of scholarships to qualified Guatemalan students, in particular the Maya and other rural poor; and 2) improve the education of Guatemalan citizens by enhancing the overall learning environment and facilities of the University and securing the University's future through building an endowment. The endowment portfolio's objective is capital preservation and growth to enable the Foundation to make annual scholarships and meet its objectives above. The Foundation has considered the following risk categories in the development of the Statement; volatility risk, concentration risk, credit risk, inflation risk, and liquidity risk.

The overall investment objective is balanced. This objective offers the potential for both current income and capital appreciation, with corresponding allocations to fixed income and equities, and, where appropriate, other asset classes. Risk level is moderate; investors with this objective should be willing to accept a moderate level of portfolio volatility and risk of principal loss despite the relatively balanced nature of the portfolio.

#### **Time Horizon**

The time horizon for this portfolio is perpetuity.

#### **Liquidity Needs**

The portfolio has no specific requirements to maintain liquidity for short-term cash flow needs.

#### **Spending Policy/Distribution Needs**

The Foundation's policy is to annually withdraw 4% of assets to support scholarships, with additional support annually potentially for operating funds.

#### **Investment Restrictions**

The investment manager is restricted from purchasing investments in the following asset class(es); hedge funds, tangible assets, and private equity.

#### **Asset Allocation**

The portfolio will be invested and rebalanced in accordance within the policy maximum and minimum range in specific asset classes of cash, equity fixed income, and real estate.

# **FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA**

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

### **Note 6 Net Assets With Donor Restrictions - Endowments - Continued**

#### **Performance Benchmarks and Measurements**

Investment performance will be reviewed periodically and compared against a policy benchmark based on the investment objective. The policy benchmark against which the portfolio's performance will be measured is 60% S&P and 40% Barclay's aggregate.

The following table sets forth the Foundation's endowment net asset composition by type of fund as of December 31,:

	<b>2023</b>				
	<b>Board Designated</b>	<b>Restricted Accumulated Earnings</b>	<b>Restricted Original Principal</b>	<b>Total Restricted</b>	<b>Total Endowment</b>
<b>Beginning Balance</b>	<b>\$ 2,851,560</b>	<b>\$ (586,121)</b>	<b>\$ 2,188,358</b>	<b>\$ 1,602,237</b>	<b>\$ 4,453,797</b>
Contributions	-	-	66,914	66,914	66,914
Investment Return, Net of Fees	117,913	68,010	-	68,010	185,923
Unrealized Gain (Loss) on Market Value of Investments	176,253	101,659	-	101,659	277,912
Income Transfers to Unrestricted	(149,600)	(81,334)	-	(81,334)	(230,934)
Grants Paid	(149,599)	(81,334)	-	(81,334)	(230,933)
<b>Ending Balance</b>	<b>\$ 2,846,527</b>	<b>\$ (579,120)</b>	<b>\$ 2,255,272</b>	<b>\$ 1,676,152</b>	<b>\$ 4,522,679</b>
	<b>2022</b>				
	<b>Board Designated</b>	<b>Restricted Accumulated Earnings</b>	<b>Restricted Original Principal</b>	<b>Total Restricted</b>	<b>Total Endowment</b>
<b>Beginning Balance</b>	<b>\$ 3,614,800</b>	<b>\$ (173,111)</b>	<b>\$ 2,142,692</b>	<b>\$ 1,969,581</b>	<b>\$ 5,584,381</b>
Contributions	-	-	45,666	45,666	45,666
Investment Return, Net of Fees	79,608	44,111	-	44,111	123,719
Unrealized Gain (Loss) on Market Value of Investments	(458,604)	(254,116)	-	(254,116)	(712,720)
Income Transfers to Unrestricted	(226,589)	(119,711)	-	(119,711)	(346,300)
Grants Paid	(157,655)	(83,294)	-	(83,294)	(240,949)
<b>Ending Balance</b>	<b>\$ 2,851,560</b>	<b>\$ (586,121)</b>	<b>\$ 2,188,358</b>	<b>\$ 1,602,237</b>	<b>\$ 4,453,797</b>

# ***FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA***

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 AND 2022**

**Note 7 Liquidity**

The Foundation's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	<b>2023</b>	<b>2022</b>
<b>Financial Assets at Year End</b>		
Cash and Cash Equivalents, Net of Overdraft	\$ 551,242	\$ 389,177
Contributions Receivable	12,170	11,552
Grants Receivable	94,029	162,575
Investments and Accrued Income	4,213,616	4,232,985
<b>Total Financial Assets at Year End</b>	<b>4,871,057</b>	<b>4,796,289</b>
<b>(Less) Amounts Unavailable for General Expenditures</b>		
Within One Year Due to:		
Donor Purpose Restrictions	(242,502)	(129,988)
Donor Restrictions in Perpetuity	(1,676,152)	(1,602,237)
<b>Total Amounts Unavailable for General Expenditures Within One Year</b>	<b>(1,918,654)</b>	<b>(1,732,225)</b>
<b>Amounts Unavailable to Management Without Board's Approval</b>		
Board Designated Endowment	(2,846,527)	(2,851,560)
<b>Total Amounts Unavailable to Management Without Board's Approval</b>	<b>(2,846,527)</b>	<b>(2,851,560)</b>
<b>Total Financial Assets Available for General Expenditures Within One Year</b>	<b>\$ 105,876</b>	<b>\$ 212,504</b>

The Foundation manages its financial assets to be available as its operating expenditures, liabilities, and other obligations come due. The Foundation makes annual appropriations from income earned on donor-restricted and Board designated endowments to satisfy these obligations. In addition, management may elect to use additional amounts of Board designated net assets, if the need occurs.

# FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA

## SCHEDULE A SCHEDULE OF ENDOWMENT FUNDS FOR THE YEAR ENDED DECEMBER 31, 2023

	Friends of USFUVG	Sanchez Fund	Pardo Fund	Kidder Fund	SRD Fund	Blackburn- Hughes Fund	Jeanne M. Blackburn Fund	Texaco Fund	Shook Fund	Taylor Scholarship Fund	In-Service Teacher Empowerment Fund	Miriam Rosengarten Fund	Nottebohm Scholarship Fund	Rosengarten- Horowitz Fund	Thomas Stroock Scholarship Fund	Katherine Terrell Scholarship Fund	Berkeley Freeman Cone Scholarship Fund	Total Endowment
<b>Revenue</b>																		
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 16,914	\$ 66,914
Interest and Dividends	321	332	4,555	5,707	995	1,441	567	638	2,983	708	701	1,653	10,153	198	10,159	1,199	6,792	49,102
<b>Total Revenue</b>	<b>321</b>	<b>332</b>	<b>4,555</b>	<b>5,707</b>	<b>995</b>	<b>1,441</b>	<b>567</b>	<b>638</b>	<b>2,983</b>	<b>708</b>	<b>701</b>	<b>1,653</b>	<b>60,153</b>	<b>198</b>	<b>10,159</b>	<b>1,199</b>	<b>23,706</b>	<b>116,016</b>
<b>Expenses</b>																		
Grants Paid - Other	618	639	8,762	10,977	1,913	2,713	1,101	1,227	5,737	1,362	1,358	3,175	12,947	381	16,311	2,038	10,075	81,334
Investment Transaction Fees	89	92	1,266	1,585	276	400	158	177	829	197	195	459	2,821	55	2,822	334	1,886	13,641
<b>Total Expenses</b>	<b>707</b>	<b>731</b>	<b>10,028</b>	<b>12,562</b>	<b>2,189</b>	<b>3,113</b>	<b>1,259</b>	<b>1,404</b>	<b>6,566</b>	<b>1,559</b>	<b>1,553</b>	<b>3,634</b>	<b>15,768</b>	<b>436</b>	<b>19,133</b>	<b>2,372</b>	<b>11,961</b>	<b>94,975</b>
Excess of Revenue (Expenses)	(386)	(399)	(5,473)	(6,855)	(1,194)	(1,672)	(692)	(766)	(3,583)	(851)	(852)	(1,981)	44,385	(238)	(8,974)	(1,173)	11,745	21,041
Loss on Sale of Securities	213	220	3,020	3,783	659	955	376	422	1,977	470	465	1,096	6,731	132	6,734	795	4,501	32,549
Endowment Funds, January 1, at Cost	9,245	9,568	131,146	164,300	28,634	41,488	16,334	18,372	85,873	20,391	20,187	47,600	292,309	5,713	292,467	34,514	195,484	1,413,625
Transfer to Unrestricted Fund	(618)	(639)	(8,762)	(10,977)	(1,913)	(2,713)	(1,101)	(1,227)	(5,737)	(1,362)	(1,358)	(3,175)	(12,948)	(381)	(16,311)	(2,038)	(10,074)	(81,334)
Endowment Funds, December 31, at Cost	8,454	8,750	119,931	150,251	26,186	38,058	14,917	16,801	78,530	18,648	18,442	43,540	330,477	5,226	273,916	32,098	201,656	1,385,881
Market Value Adjustment	3,236	3,349	45,898	57,501	10,021	13,352	5,908	6,429	30,053	7,137	7,255	16,563	20,255	1,987	38,198	6,757	16,372	290,271
<b>Endowment Funds, December 31, at Market</b>	<b>\$ 11,690</b>	<b>\$ 12,099</b>	<b>\$ 165,829</b>	<b>\$ 207,752</b>	<b>\$ 36,207</b>	<b>\$ 51,410</b>	<b>\$ 20,825</b>	<b>\$ 23,230</b>	<b>\$ 108,583</b>	<b>\$ 25,785</b>	<b>\$ 25,697</b>	<b>\$ 60,103</b>	<b>\$ 350,732</b>	<b>\$ 7,213</b>	<b>\$ 312,114</b>	<b>\$ 38,855</b>	<b>\$ 218,028</b>	<b>\$ 1,676,152</b>
<b>Endowment Restrictions are Summarized as Follows:</b>																		
Donor Restrictions:																		
Principal to Remain in Perpetuity	\$ 5,845	\$ 14,600	\$ 235,526	\$ 272,748	\$ 59,176	\$ 74,881	\$ 44,285	\$ 40,000	\$ 189,970	\$ 62,044	\$ 57,987	\$ 100,000	\$ 391,050	\$ 12,000	\$ 400,000	\$ 46,000	\$ 249,160	\$ 2,255,272
Interest to be Used for Awards	2,609	(5,850)	(115,595)	(122,497)	(32,990)	(36,823)	(29,368)	(23,199)	(111,440)	(43,396)	(39,545)	(56,460)	(60,573)	(6,774)	(126,084)	(13,902)	(47,504)	(869,391)
<b>Total Restricted Endowments</b>	<b>\$ 8,454</b>	<b>\$ 8,750</b>	<b>\$ 119,931</b>	<b>\$ 150,251</b>	<b>\$ 26,186</b>	<b>\$ 38,058</b>	<b>\$ 14,917</b>	<b>\$ 16,801</b>	<b>\$ 78,530</b>	<b>\$ 18,648</b>	<b>\$ 18,442</b>	<b>\$ 43,540</b>	<b>\$ 330,477</b>	<b>\$ 5,226</b>	<b>\$ 273,916</b>	<b>\$ 32,098</b>	<b>\$ 201,656</b>	<b>\$ 1,385,881</b>

# FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA

## SCHEDULE A CONTINUED SCHEDULE OF ENDOWMENT FUNDS FOR THE YEAR ENDED DECEMBER 31, 2022

	Friends of USFUVG	Sanchez Fund	Pardo Fund	Kidder Fund	SRD Fund	Blackburn- Hughes Fund	Jeanne M. Blackburn Fund	Texaco Fund	Shook Fund	Taylor Scholarship Fund	In-Service Teacher Empowerment Fund	Miriam Rosengarten Fund	Nottebohm Scholarship Fund	Rosengarten- Horowitz Fund	Thomas Stroock Scholarship Fund	Katherine Terrell Scholarship Fund	Berkeley Freeman Cone Scholarship Fund	Total Endowment
<b>Revenue</b>																		
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 5,665	\$ 45,665
Interest and Dividends	268	277	3,803	4,766	830	1,199	474	533	2,490	591	586	1,380	6,938	166	8,273	984	5,318	38,876
<b>Total Revenue</b>	<b>268</b>	<b>277</b>	<b>3,803</b>	<b>4,766</b>	<b>830</b>	<b>1,199</b>	<b>474</b>	<b>533</b>	<b>2,490</b>	<b>591</b>	<b>586</b>	<b>1,380</b>	<b>46,938</b>	<b>166</b>	<b>8,273</b>	<b>984</b>	<b>10,983</b>	<b>84,541</b>
<b>Expenses</b>																		
Grants Paid - Other	652	675	9,247	11,585	2,018	2,863	1,162	1,295	6,055	1,438	1,434	3,351	11,511	402	17,166	2,147	10,292	83,293
Investment Transaction Fees	95	98	1,343	1,683	293	424	168	188	879	209	207	487	2,450	58	2,922	347	1,878	13,729
<b>Total Expenses</b>	<b>747</b>	<b>773</b>	<b>10,590</b>	<b>13,268</b>	<b>2,311</b>	<b>3,287</b>	<b>1,330</b>	<b>1,483</b>	<b>6,934</b>	<b>1,647</b>	<b>1,641</b>	<b>3,838</b>	<b>13,961</b>	<b>460</b>	<b>20,088</b>	<b>2,494</b>	<b>12,170</b>	<b>97,022</b>
Excess of Revenue (Expenses)	(479)	(496)	(6,787)	(8,502)	(1,481)	(2,088)	(856)	(950)	(4,444)	(1,056)	(1,055)	(2,458)	32,977	(294)	(11,815)	(1,510)	(1,187)	(12,481)
Loss on Sale of Securities	131	136	1,855	2,324	405	585	231	260	1,215	288	286	673	3,384	81	4,036	480	2,594	18,964
Endowment Funds, January 1, at Cost	10,530	10,898	149,368	187,128	32,612	47,105	18,629	20,924	97,804	23,226	23,016	54,201	272,492	6,504	324,918	38,630	208,868	1,526,853
Transfer to Unrestricted Fund	(937)	(970)	(13,290)	(16,650)	(2,902)	(4,114)	(1,670)	(1,862)	(8,702)	(2,067)	(2,060)	(4,816)	(16,544)	(578)	(24,672)	(3,086)	(14,791)	(119,711)
Endowment Funds, December 31, at Cost	9,245	9,568	131,146	164,300	28,634	41,488	16,334	18,372	85,873	20,391	20,187	47,600	292,309	5,713	292,467	34,514	195,484	1,413,625
Market Value Adjustment	2,572	2,661	36,466	45,685	7,962	10,368	4,734	5,108	23,877	5,670	5,804	13,140	(766)	1,576	17,166	4,275	2,314	188,612
<b>Endowment Funds, December 31, at Market</b>	<b>\$ 11,817</b>	<b>\$ 12,229</b>	<b>\$ 167,612</b>	<b>\$ 209,985</b>	<b>\$ 36,596</b>	<b>\$ 51,856</b>	<b>\$ 21,068</b>	<b>\$ 23,480</b>	<b>\$ 109,750</b>	<b>\$ 26,061</b>	<b>\$ 25,991</b>	<b>\$ 60,740</b>	<b>\$ 291,543</b>	<b>\$ 7,289</b>	<b>\$ 309,633</b>	<b>\$ 38,789</b>	<b>\$ 197,798</b>	<b>\$ 1,602,237</b>
<b>Endowment Restrictions are Summarized as Follows</b>																		
Donor Restrictions:																		
Principal to Remain in Perpetuity	\$ 5,845	\$ 14,600	\$ 235,526	\$ 272,748	\$ 59,176	\$ 74,881	\$ 44,285	\$ 40,000	\$ 189,970	\$ 62,044	\$ 57,987	\$ 100,000	\$ 341,050	\$ 12,000	\$ 400,000	\$ 46,000	\$ 232,246	\$ 2,188,358
Interest to be Used for Awards	3,400	(5,032)	(104,380)	(108,448)	(30,542)	(33,393)	(27,951)	(21,628)	(104,097)	(41,653)	(37,800)	(52,400)	(48,741)	(6,287)	(107,533)	(11,486)	(36,762)	(774,733)
<b>Total Restricted Endowments</b>	<b>\$ 9,245</b>	<b>\$ 9,568</b>	<b>\$ 131,146</b>	<b>\$ 164,300</b>	<b>\$ 28,634</b>	<b>\$ 41,488</b>	<b>\$ 16,334</b>	<b>\$ 18,372</b>	<b>\$ 85,873</b>	<b>\$ 20,391</b>	<b>\$ 20,187</b>	<b>\$ 47,600</b>	<b>\$ 292,309</b>	<b>\$ 5,713</b>	<b>\$ 292,467</b>	<b>\$ 34,514</b>	<b>\$ 195,484</b>	<b>\$ 1,413,625</b>



***FOUNDATION OF THE UNIVERSITY  
OF THE VALLEY OF GUATEMALA***

**SCHEDULE B  
SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS  
OTHER GRANTS AND CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Net Assets January 1,</u>	<u>Prior Year Adjustment</u>	<u>Contributions Received</u>	<u>Contributions Paid Out</u>	<u>Net Assets December 31,</u>
<b>Restricted by Donors With Purpose or Time Restrictions</b>					
Altiplano Scholarships	\$ 33,042	\$ 3,000	\$ 38,939	\$ (28,942)	\$ 46,039
UVG/SAS (Mack Family)	71,190	(3,000)	33,549	(55,642)	46,097
Archaeology UVG	1	-	7,650	(7,650)	1
Miscellaneous	20,980	-	70,567	(39,986)	51,561
<b>Total</b>	<b><u>\$ 125,213</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 150,705</u></b>	<b><u>\$ (132,220)</u></b>	<b><u>\$ 143,698</u></b>

***FOUNDATION OF THE UNIVERSITY  
OF THE VALLEY OF GUATEMALA***

**SCHEDULE B CONTINUED  
SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS  
OTHER GRANTS AND CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Net Assets January 1,</b>	<b>Contributions Received</b>	<b>Contributions Paid Out</b>	<b>Net Assets December 31,</b>
<b>Restricted by Donors With Purpose or Time Restrictions</b>				
Altiplano Scholarships	\$ 44,359	\$ 33,212	\$ (44,529)	\$ 33,042
UVG/SAS (Mack Family)	99,408	20,390	(48,608)	71,190
Archaeology UVG	7,651	-	(7,650)	1
Miscellaneous	34,365	31,792	(45,177)	20,980
<b>Total</b>	<b>\$ 185,783</b>	<b>\$ 85,394</b>	<b>\$ (145,964)</b>	<b>\$ 125,213</b>

# *FOUNDATION OF THE UNIVERSITY OF THE VALLEY OF GUATEMALA*

## SCHEDULE C SCHEDULE OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2023

**U.S. Agency for International Development 72ASHA19GR00010**

	<u>Budget</u>	<u>Expended 2023</u>	<u>Expended Prior</u>	<u>Total Remaining</u>
Revenue	\$ 1,100,000	\$ 175,036	\$ 924,964	\$ -
Expenses	1,100,000	175,036	924,964	-
<b>Funds Obligated</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Grant to be Used as Follows: Durable Commodities	\$ 1,100,000			
<b>Total Budget</b>	<b>\$ 1,100,000</b>			

**U.S. Agency for International Development 72ASHA20GR00012**

	<u>Budget</u>	<u>Expended 2023</u>	<u>Expended Prior</u>	<u>Total Remaining</u>
Revenue	\$ 900,000	\$ 358,612	\$ 299,676	\$ 241,712
Expenses	900,000	358,612	299,676	241,712
<b>Funds Obligated</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Grant to be Used as Follows: Durable Commodities	\$ 900,000			
<b>Total Budget</b>	<b>\$ 900,000</b>			

**U.S. Agency for International Development 72ASHA21GR00010**

	<u>Budget</u>	<u>Expended 2023</u>	<u>Expended Prior</u>	<u>Total Remaining</u>
Revenue	\$ 1,400,000	\$ -	\$ -	\$ 1,400,000
Expenses	1,400,000	-	-	1,400,000
<b>Funds Obligated</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Grant to be Used as Follows: Durable Commodities Program Support	\$ 1,374,000 26,000			
<b>Total Budget</b>	<b>\$ 1,400,000</b>			

**U.S. Agency for International Development 720DD122GR00010**

	<u>Budget</u>	<u>Expended 2023</u>	<u>Expended Prior</u>	<u>Total Remaining</u>
Revenue	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Expenses	2,000,000	-	-	2,000,000
<b>Funds Obligated</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Grant to be Used as Follows: Durable Commodities Program Support	\$ 1,976,000 24,000			
<b>Total Budget</b>	<b>\$ 2,000,000</b>			

***FOUNDATION OF THE UNIVERSITY  
OF THE VALLEY OF GUATEMALA***

**SCHEDULE D  
SCHEDULE OF RESTRICTED FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>Cost</b>	<b>Fair Value</b>
<b>RESTRICTED ENDOWMENTS</b>		
Funds Due From Operating and Net Assets With Donor Restriction	\$ 2,567	\$ 2,567
<b>Money Market Funds</b>		
Cash and Cash Equivalents	306,496	306,496
<b>Fixed Income</b>		
Investment Grade	1,898,454	1,812,805
<b>Total Fixed Income</b>	1,898,454	1,812,805
<b>Equities</b>		
Domestic	1,001,589	1,943,251
International	277,240	317,531
Emerging Markets	159,640	130,534
<b>Total Equities</b>	1,438,469	2,391,316
<b>Total Fixed Income, Equities, and Real Estate</b>	3,336,923	4,204,121
Accrued Income	9,495	9,495
<b>Total Endowment Fund</b>	3,655,481	4,522,679
(Less) Board Designated Endowment	(2,269,601)	(2,846,527)
<b>Total Restricted Endowments</b>	<b>\$ 1,385,880</b>	<b>\$ 1,676,152</b>

***FOUNDATION OF THE UNIVERSITY  
OF THE VALLEY OF GUATEMALA***

**SCHEDULE D CONTINUED  
SCHEDULE OF RESTRICTED FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>Cost</b>	<b>Fair Value</b>
<b>RESTRICTED ENDOWMENTS</b>		
Funds Due from Operating and Net Assets With Donor Restriction	\$ (17,775)	\$ (17,775)
<b>Money Market Funds</b>		
Cash and Cash Equivalents	238,587	238,587
<b>Fixed Income</b>		
Investment Grade	1,922,570	1,765,124
<b>Total Fixed Income</b>	1,922,570	1,765,124
<b>Equities</b>		
Domestic	1,208,231	2,000,824
International	340,142	335,741
Emerging Markets	163,243	121,782
<b>Total Equities</b>	1,711,616	2,458,347
<b>Total Fixed Income, Equities, and Real Estate</b>	3,634,186	4,223,471
Accrued Income	9,514	9,514
<b>Total Endowment Fund</b>	3,864,512	4,453,797
(Less) Board Designated Endowment	(2,450,887)	(2,851,560)
<b>Total Restricted Endowments</b>	<b>\$ 1,413,625</b>	<b>\$ 1,602,237</b>

**INDEPENDENT AUDITORS' 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***

Board of Directors  
Foundation of the University  
of the Valley of Guatemala  
Princeton, New Jersey

We have audited, in accordance with the 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 the Foundation of the University of the Valley of Guatemala (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, and have issued our report thereon dated April 2, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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 may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 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 Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
April 2, 2024