

The Pittsburgh Foundation

(And Controlled Supporting Organizations)

Consolidated Financial Statements and Additional
Information as of and for the Years Ended December 31,
2020 and 2019, and Independent Auditor's Report

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THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Pittsburgh Foundation

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Pittsburgh Foundation and Controlled Supporting Organizations, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of Neighborhood Allies, a controlled supporting organization, which statements reflect total assets of \$17,244,366 and \$10,199,080, and total net assets of \$17,038,565 and \$9,727,621 as of December 31, 2020 and 2019, respectively, and total revenues, gains, and other support of \$11,540,244 and \$9,394,082, respectively, for the years then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Neighborhood Allies, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

INDEPENDENT AUDITOR'S REPORT

(continued)

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

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

Opinion

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Pittsburgh Foundation and Controlled Supporting Organizations as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Additional Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The additional information shown on pages 29-36 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual organizations, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The additional information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional information, which insofar as it relates to Neighborhood Allies, is based on the report of other auditors, is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Sisterson & Co. LLP

June 9, 2021

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 102,856,598	\$ 102,299,155
Contributions receivable and other assets	130,670,348	101,858,135
Accounts and investment income receivable	1,041,109	969,230
Investments	1,217,509,284	1,111,062,781
Program-related investments	3,278,971	3,278,971
Rental property	347,305	347,305
Furniture, fixtures and equipment, net of accumulated depreciation of \$5,426,953 and \$4,776,940 for 2020 and 2019, respectively	<u>1,087,358</u>	<u>1,343,877</u>
Total	<u><u>\$ 1,456,790,973</u></u>	<u><u>\$ 1,321,159,454</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable and other liabilities	\$ 15,436,471	\$ 14,489,473
Grants payable	9,705,907	10,901,424
Accrued pension liability	<u>5,892,545</u>	<u>6,140,352</u>
Total liabilities	<u>31,034,923</u>	<u>31,531,249</u>
NET ASSETS:		
Without donor restrictions	175,510,210	175,301,539
With donor restrictions	<u>1,250,245,840</u>	<u>1,114,326,666</u>
Total net assets	<u>1,425,756,050</u>	<u>1,289,628,205</u>
Total	<u><u>\$ 1,456,790,973</u></u>	<u><u>\$ 1,321,159,454</u></u>

See notes to consolidated financial statements.

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT:			
Contributions	\$ 16,259,674	\$ 43,438,758	\$ 59,698,432
Bequests and split-interest contributions	-	7,267,885	7,267,885
Changes in the value of split-interest agreements	-	28,667,875	28,667,875
Income on investments, net of investment fees of \$511,941 and \$3,877,396, respectively	3,864,772	14,831,265	18,696,037
Net realized and unrealized gains on investments	12,613,445	102,438,971	115,052,416
Other	1,318,066	-	1,318,066
Net assets released resulting from satisfaction of donor restrictions	60,725,580	(60,725,580)	-
 Total revenues, gains, and other support	 94,781,537	 135,919,174	 230,700,711
EXPENSES:			
Grants approved, net of cancellations and refunds of \$950,938	73,956,836	-	73,956,836
Program services expenses	11,384,859	-	11,384,859
Fundraising and development expenses	4,023,184	-	4,023,184
Management and general administrative expenses	5,207,987	-	5,207,987
 Total expenses	 94,572,866	 -	 94,572,866
 INCREASE IN NET ASSETS	 208,671	 135,919,174	 136,127,845
 NET ASSETS — Beginning of year	 175,301,539	 1,114,326,666	 1,289,628,205
 NET ASSETS — End of year	 \$ 175,510,210	 \$ 1,250,245,840	 \$ 1,425,756,050

See notes to consolidated financial statements.

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT:			
Contributions	\$ 15,717,853	\$ 43,328,795	\$ 59,046,648
Bequests and split-interest contributions	-	2,443,103	2,443,103
Changes in the value of split-interest agreements	-	14,924,435	14,924,435
Income on investments, net of investment fees of \$500,549 and \$4,573,664, respectively	4,089,433	13,992,337	18,081,770
Net realized and unrealized gains on investments	18,390,834	137,774,318	156,165,152
Other	1,451,518	-	1,451,518
Net assets released resulting from satisfaction of donor restrictions	<u>60,692,474</u>	<u>(60,692,474)</u>	<u>-</u>
Total revenues, gains, and other support	<u>100,342,112</u>	<u>151,770,514</u>	<u>252,112,626</u>
EXPENSES:			
Grants approved, net of cancellations and refunds of \$829,623	60,765,593	-	60,765,593
Program services expenses	10,816,317	-	10,816,317
Fundraising and development expenses	4,228,812	-	4,228,812
Management and general administrative expenses	<u>5,260,107</u>	<u>-</u>	<u>5,260,107</u>
Total expenses	<u>81,070,829</u>	<u>-</u>	<u>81,070,829</u>
Other adjustments to net assets	<u>(646,009)</u>	<u>(8,080,324)</u>	<u>(8,726,333)</u>
INCREASE IN NET ASSETS	18,625,274	143,690,190	162,315,464
NET ASSETS — Beginning of year	<u>156,676,265</u>	<u>970,636,476</u>	<u>1,127,312,741</u>
NET ASSETS — End of year	<u>\$ 175,301,539</u>	<u>\$ 1,114,326,666</u>	<u>\$ 1,289,628,205</u>

See notes to consolidated financial statements.

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Program Services</u>		<u>Fundraising</u>	<u>Management</u>	
	<u>Grants</u>	<u>Other</u>	<u>and Development</u>	<u>and General</u>	<u>Total</u>
				<u>Administrative</u>	
Grants and scholarships	\$ 73,956,836	\$ 1,034,833	\$ -	\$ -	\$ 74,991,669
Salaries and benefits	-	6,643,807	2,893,839	3,541,433	13,079,079
Professional and administrative services	-	1,890,717	294,695	536,065	2,721,477
Rent and building expense	-	354,714	191,220	300,594	846,528
Depreciation	-	294,280	157,715	198,018	650,013
Communications and marketing	-	625,432	217,991	258,907	1,102,330
Information technology	-	350,695	184,293	245,652	780,640
Professional development and travel	-	145,653	58,797	86,231	290,681
Office expenses	-	44,728	24,634	41,087	110,449
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 73,956,836</u>	<u>\$ 11,384,859</u>	<u>\$ 4,023,184</u>	<u>\$ 5,207,987</u>	<u>\$ 94,572,866</u>

See notes to consolidated financial statements.

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Program Services</u>		<u>Fundraising</u>	<u>Management</u>	
	<u>Grants</u>	<u>Other</u>	<u>and Development</u>	<u>and General</u>	<u>Total</u>
				<u>Administrative</u>	
Grants and scholarships	\$ 60,765,593	\$ 647,924	\$ -	\$ 100	\$ 61,413,617
Salaries and benefits	-	6,111,174	2,855,008	3,483,088	12,449,270
Professional and administrative services	-	2,255,533	463,437	615,484	3,334,454
Rent and building expense	-	345,492	193,159	291,389	830,040
Depreciation	-	348,022	196,071	244,667	788,760
Communications and marketing	-	518,463	223,550	212,647	954,660
Information technology	-	294,821	161,838	201,528	658,187
Professional development and travel	-	233,580	105,352	152,320	491,252
Office expenses	-	61,308	30,397	58,884	150,589
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Total expenses	<u>\$ 60,765,593</u>	<u>\$ 10,816,317</u>	<u>\$ 4,228,812</u>	<u>\$ 5,260,107</u>	<u>\$ 81,070,829</u>

See notes to consolidated financial statements.

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 136,127,845	\$ 162,315,464
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	650,013	788,760
Contribution of noncash gifts	(22,860,543)	(14,094,697)
Net realized and unrealized gains on investments	(111,116,170)	(150,031,989)
(Increase) decrease in accounts, contributions, and investment income receivables and other assets	(21,612,205)	115,137
Increase (decrease) in total liabilities	(496,326)	7,736,567
	<u>(19,307,386)</u>	<u>6,829,242</u>
Net cash provided by (used in) operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of furniture, fixtures and equipment	(393,494)	(55,628)
Program-related loans receivable collected	-	148,529
Purchases of investments	(440,210,790)	(374,644,098)
Proceeds from sales of investments	460,469,113	386,663,902
	<u>19,864,829</u>	<u>12,112,705</u>
Net cash provided by investing activities		
INCREASE IN CASH AND CASH EQUIVALENTS	557,443	18,941,947
CASH AND CASH EQUIVALENTS — Beginning of year	<u>102,299,155</u>	<u>83,357,208</u>
CASH AND CASH EQUIVALENTS — End of year	<u>\$ 102,856,598</u>	<u>\$ 102,299,155</u>

See notes to consolidated financial statements.

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization — The Pittsburgh Foundation, comprised of both a trust and corporate form, is one of the largest community foundations in the United States. The Pittsburgh Foundation Trust (the “Trust”) was created in 1945 by a Declaration of Trust adopted by local banks. The Trust was determined to be exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”) and has been classified as an organization that is not a private foundation as defined in Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code. In 1990, a nonprofit corporation, The Pittsburgh Foundation, Inc., (the “Corporation”), became active as a component part of The Pittsburgh Foundation, primarily to provide the capacity to receive alternate forms of charitable gifts from donors. The Foundation’s consolidated financial statements have been prepared on the accrual basis of accounting and include the activity of the Trust and the Corporation, each of which are components of The Pittsburgh Foundation. All intra and inter foundation balances and transactions have been eliminated in the consolidated financial statements.

The Pittsburgh Foundation’s consolidated financial statements include the activity of five supporting organizations, which are Neighborhood Allies, The Pittsburgh Promise Foundation, The Forbes Funds, Charles E. Kaufman Foundation, and Jack G. Buncher Charitable Fund, as they are under the control of The Pittsburgh Foundation (collectively referred to as the “Foundation”). Total net assets related to these supporting organizations at December 31, 2020 and 2019, were \$145,136,365 and \$133,846,635, respectively. One supporting organization for which the Foundation provides no services, The Dietrich Foundation, was not included in the consolidated financial statements as it was not under the control of The Pittsburgh Foundation. Supporting organizations are separate charitable organizations and have separate governing boards. Their public charity status is attained through their affiliation with The Pittsburgh Foundation.

The Foundation participates with certain non-affiliated private foundations on the board of the August Wilson African American Cultural Center (the “AWAACC”); these foundations are referred to as the “Foundations Body”. The AWAACC was incorporated on October 27, 2014 and has received its charitable tax exemption under Section 501(c)(3) of the Code. The AWAACC exists to own, operate, and preserve the building located at 980 Liberty Avenue, Pittsburgh, Pennsylvania as a vibrant community asset focused primarily on producing and presenting African American arts and cultural programming. The Foundations Body retained the power to approve sale or disposition of the building, approve indebtedness, and approve dissolution, consolidation or sale of the AWAACC, among other matters. None of the three members of the Foundations Body has a controlling financial interest and, therefore, none of the members consolidate the AWAACC financial results into their financial statements.

The Foundation manages various funds. Discretionary funds include undesignated and field of interest funds. Restricted funds include scholarship, designated, and donor-advised funds. The Foundation’s governing boards are responsible for approval of all grants, substantially all of which are awarded to tax-exempt organizations.

Classification of Net Assets — In accordance with accounting principles generally accepted in the United States of America (“GAAP”), the Foundation considers contributions to be restricted if they are received with donor stipulations that limit the use of the donated assets. The Resolution and Declaration of Trust of the Foundation and certain donor agreements provide for the invasion of principal, subject to annual limits. Accordingly, all such contributions are reported as with donor restrictions. Gains and losses in the investment of these assets are classified as with donor restrictions. Investment income subject to restrictions that is earned and expended in the same year is reported as without donor restrictions. Unexpended investment income and contributions subject to restrictions are classified as with donor restrictions until the period in which the funds are spent, at which time these assets with donor restrictions are released to assets without donor restrictions. Such transfers are reported in the consolidated statements of activities as net assets released resulting from satisfaction of donor restrictions. Income derived from assets dedicated to administrative activities is classified as without donor restrictions.

The Commonwealth of Pennsylvania has not adopted the Uniform Prudent Management of Institutional Funds Act of 2006 (“UPMIFA”). The Commonwealth of Pennsylvania has enacted Act 141 (the “Act”). The Act allows the Foundation to elect a “total return investment policy” in regard to its endowment. Income is defined by the Act to mean a fixed percentage of the “value of the assets” held by the Foundation, not less than 2% or more than 7%. The “value of the assets” for purposes of the Act, is the average fair value of the assets over a three-year period (or the average value of the assets over any shorter period in the cases of assets held less than three years). The Foundation adopted a total investment return policy with a spending policy of 5% of the three-year average fair value of the endowment's investments for both 2020 and 2019. This spending policy determines the funds available for grant making and administrative expenses. This calculation excludes funds where the spending policy would reduce the individual fund balances below its stipulated minimum.

Endowment Investment Policy — The Pittsburgh Foundation’s investment objective is to maximize returns through a highly diversified portfolio of assets consisting of equity, fixed income, and investments such as hedge funds and investment partnerships. The return objective of the Foundation is the desired annual payout, or spending policy, plus inflation as measured by the Consumer Price Index for All Urban Consumers (CPI-U) plus growth. The Foundation maintains a prudent risk policy through its Investment Policy Statement and the asset allocation described therein that is consistent with its public nature and the position of the Foundation.

Cash and Cash Equivalents — Cash and cash equivalents consist primarily of funds invested in money market accounts, including those held in trusts administered by various Pittsburgh banks and other financial services firms. Cash equivalents are recorded at carrying value which approximates fair value and were \$102,856,598 and \$102,299,155 at December 31, 2020 and 2019, respectively.

Investments — The Foundation’s assets are administered by the Foundation itself, two locally based national banks, and several local financial service firms. The Board of Directors is responsible for establishing standards and reviewing investment manager performance of all invested assets.

Other investments include pooled income funds and charitable gift annuities, which are held in separately managed trusts, and life insurance contracts. The use of these assets for grant making is deferred until the death of the designated beneficiary.

Life insurance contracts are valued at cash surrender value as provided by the insurance company. Other investments include private equity investment partnerships and capital appreciation funds. Because these investment partnerships are not readily marketable, and the estimated value is subject to uncertainty, the reported fair value may differ from the fair value that would have been used had a ready market existed. These valuations include assumptions and methods that were prepared solely by the Foundation’s investment advisors based upon information provided by the fund managers and were reviewed by, but

not adjusted by, Foundation management. Additionally, these estimates are generally computed based on the Foundation's proportionate share of the overall value of the investee, net of estimated profit participation. The Foundation believes that the recorded amount of its investment partnerships is a reasonable estimate of fair value as of December 31, 2020 and 2019.

Realized and unrealized gains and losses are computed by deducting from the proceeds of the sale or the fair value of investments the historical cost of the security or its fair value at the time of donation using the average cost method. Net realized and unrealized gain or loss on investments is reflected in the consolidated statements of activities. Investment income is recorded on the accrual basis.

Rental Property — Rental property consist of land. Land is recorded at fair value as of date of gift.

Furniture, Fixtures and Equipment — Furniture, fixtures and equipment are recorded at cost and depreciated over their estimated useful lives, which range from 3 to 15 years on the straight-line method.

Program-Related Investments — The Foundation holds program-related investments (PRIs), in local entities. A PRI is defined in Section 4944 of the Internal Revenue Code as an investment in which its primary purpose is to accomplish one or more of the Foundation's exempt purposes, the production of income or capital appreciation is not a significant purpose, and influencing legislation or political campaigns on behalf of candidates is not a purpose. As of December 31, 2020 and 2019, these investments are carried at cost, which approximates fair value, and are designed to be returned to the Foundation at future dates.

Contributions/Contributions Receivable — Contributions are recorded as revenue when an unconditional promise to give is received. Bequests are generally accrued as revenue when the respective will has been declared valid, or the likelihood of it being declared invalid is considered remote. Contributions subject to conditions are recorded as revenue when the conditions limiting the transfer of assets have been satisfied, typically when the promise becomes irrevocable. Contributions are recorded at fair value at the date of donation. Contributions receivable are recorded at the present value of expected net proceeds ultimately payable to the Foundation. The discount rates used to compute present value are a risk-free rate of return appropriate for the expected term of a promise to give. The rates ranged from 0.01% to 1.65% based on the remaining life of the promise to give for the year ended December 31, 2020. For the year ended December 31, 2019, the rates ranged from 1.58% to 2.39%. Contributions receivable are adjusted annually for any actuarial gain or loss which is reflected in the consolidated statements of activities and is included in changes in the value of split-interest agreements. Contributions with donor-imposed restrictions that are met in the same year as received are reported as unrestricted.

Grants — Grants are recorded when they are approved by the Foundation's governing boards. Grant cancellations and refunds of paid grants are recorded as they occur.

Functional Allocation of Expenses — The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on an analysis of personnel time on the related activities.

Taxes — The Foundation adopted Financial Accounting Standards Board ("FASB") guidance for accounting for uncertainty in income taxes, which provides criteria for the recognition and measurement of uncertain tax positions. This guidance requires that an uncertain tax position should be recognized only if it is "more likely than not" that the position is not sustainable based on its technical merits. Recognizable tax positions should then be measured to determine the amount of benefit or liability recognized in the consolidated financial statements. The Foundation files U.S. federal and state

information returns, and no returns are currently under examination. The statute of limitations on the Foundation's federal tax returns remains open for the years ended December 31, 2017 through the present. The Foundation continues to evaluate its tax positions pursuant to the principles of FASB guidance and has determined that there is no material impact on the Foundation's consolidated financial statements.

Estimates and Assumptions — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

Reclassifications — Certain amounts previously recorded in the December 31, 2019 consolidated financial statements have been reclassified to conform with the December 31, 2020 presentation.

2. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the consolidated statements of financial position date, comprise of the following:

	2020		
	The Pittsburgh Foundation	Supporting Organizations	Total
Cash and cash equivalents	\$ 1,318,771	\$ 9,779,422	\$ 11,098,193
Receivables and other assets	120,040	2,055,298	2,175,338
Short-term investments	5,236,445	54,639,358	59,875,803
Total	<u>\$ 6,675,256</u>	<u>\$ 66,474,078</u>	<u>\$ 73,149,334</u>

	2019		
	The Pittsburgh Foundation	Supporting Organizations	Total
Cash and cash equivalents	\$ 956,559	\$ 12,836,145	\$ 13,792,704
Receivables and other assets	95,673	2,259,615	2,355,288
Short-term investments	4,786,548	52,040,825	56,827,373
Total	<u>\$ 5,838,780</u>	<u>\$ 67,136,585</u>	<u>\$ 72,975,365</u>

The Pittsburgh Foundation receives significant contributions to establish endowments; the income generated from such endowments is used to fund grants and programs in accordance with donor intent.

The supporting organizations maintain financial assets in a manner that provides reasonable assurance that sufficient reserves exist for general expenditure to fund each supporting organizations' long-term program commitments in accordance with their missions, ensuring their sustainability.

As described in Note 1, the Foundation's endowments are subject to an annual spending rate. Under this spending rate, \$48,396,268 of appropriation from the endowments will be available within the next 12 months. In addition, as part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Foundation invests cash in excess of daily requirements in short-term investments.

3. INVESTMENTS

Investments are carried at fair value. The aggregate carrying value of investments, exclusive of cash equivalents, as of December 31, 2020 and 2019, is summarized as follows:

	2020	2019
Equities:		
Hedged equity	\$ 26,208,071	\$ 22,417,324
Private equity	81,718,205	66,569,645
Public equity	<u>701,744,204</u>	<u>630,167,985</u>
	<u>809,670,480</u>	<u>719,154,954</u>
Fixed income:		
Core fixed income	219,403,340	207,760,970
Hedged credit	20,966,925	16,648,785
High yield fixed income	7,459,391	9,153,809
International fixed income	8,650,157	11,078,112
Opportunistic fixed income	19,407,643	19,573,362
Private debt	<u>13,305,125</u>	<u>10,858,977</u>
	<u>289,192,581</u>	<u>275,074,015</u>
Diversifying strategies:		
Event driven funds	25,185,912	15,913,182
Global macro	31,175,011	37,420,355
Hedge fund of funds	8,050,935	8,416,486
Managed futures	<u>3,072,110</u>	<u>2,735,102</u>
	<u>67,483,968</u>	<u>64,485,125</u>
Real assets		
Private	25,190,001	24,213,395
Public	<u>23,379,682</u>	<u>25,297,673</u>
	<u>48,569,683</u>	<u>49,511,068</u>
Cash surrender value of life insurance	<u>2,592,572</u>	<u>2,837,619</u>
Total investments	<u>\$ 1,217,509,284</u>	<u>\$ 1,111,062,781</u>

As of December 31, 2020 and 2019, there were no investments that represented 10% of the total value of the portfolio.

As of January 1, 2020, the Company adopted ASU 2018-13, Fair Value Measurement – Disclosure Framework (Topic 820). The updated guidance is intended to improve the disclosure requirements on fair value measurements. In determining fair value, the Foundation follows the FASB ASC Topic 820 regarding fair value measurements. This establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset based on market data obtained from sources independent of the organization. Unobservable inputs are inputs that would reflect an organization's assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1 — Valuations based on quoted market prices in active markets for identical assets that the organization has the ability to access. Since valuations are based on quoted market prices that are readily available in an active market, valuation of these products does not entail a significant degree of judgment.

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

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

The availability of observable inputs can vary from instrument to instrument and is affected by a wide variety of factors, including, for example, the liquidity of markets and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable in the market, the determination of fair value requires more judgment.

The Foundation uses prices and inputs that are current as of the measurement date, obtained through multiple third-party custodians from independent pricing services. Due to the complexity, variety, and the manner in which these assets are held, the Foundation aggregates valuation data. Therefore, the Foundation uses a conservative approach to the classification of securities and uses the highest common level for the reporting of each asset class.

A description of the valuation techniques applied to the major categories of investments measured at fair value is outlined below.

The fair value of common and foreign stocks, preferred stocks, American Depositary Receipts, closed end funds, exchange-traded funds and publicly traded real estate investment trusts are valued using quoted market prices in active markets. Such actively traded securities are categorized in Level 1 of the fair value hierarchy.

Closed end funds are investment companies that are chartered to hold assets similar to open-ended mutual funds and though have shares issued on domestic exchanges which are traded throughout the trading day. While the fund itself may have a Net Asset Valuation ("NAV"), individual share prices are set by the market. Those, which are actively traded, are classified as Level 1. In the case where there is no active market for these shares, the NAV for the fund is used as a practical expedient.

Equity and fixed-income mutual funds are open-ended Securities and Exchange Commission-registered funds, with daily NAV. The mutual funds allow investors to sell their interests at the published daily NAV, with no restrictions on redemptions. These mutual funds are categorized in Level 1 of the fair value hierarchy.

The fixed income securities held directly by the Foundation are all classified as Level 2. These include corporate bonds, government bonds, mortgage backed securities, and municipal bonds. Such securities are relatively unique, with specific issue being thinly traded, if at all. This requires valuation to be imputed from the bonds' tenor, par value, and issuer, along with comparable market data.

The Foundation is invested in and holds privately held corporate stock for which there is no active market. Such stock is valued annually through independent corporate stock appraisals. The valuations also include lack of marketability and control discounts in the amount of 35% and 10% respectively, and as such, the Foundation classifies these assets as Level 3.

Hedge funds and private equity funds are held within limited liability partnerships. Limited liability partnerships are partnerships created and administered by a general partner who invests either directly in a specified investment strategy or indirectly through other limited liability partnerships in so called "fund of funds." The underlying investments of these funds can be actively traded securities in the case of certain hedge fund strategies or illiquid and privately held equity investment, as in the case of private equity investments.

The partnership documents outline the terms and conditions by which the general partner administers the partnership and its investments. Each limited partner owns a specified share of the partnership. These partnerships cannot be marketed to the public and are restricted, by regulation, to qualified investors. The underlying investments of these partnerships include many different types of investments, including interest rate swaps, commercial paper, foreign currency, private equity, private debt, short interest in common stock and convertible bonds. The valuation of the partnership interest, based upon the estimated NAV per share as a practical expedient, is performed quarterly by the general partner through unaudited statements and validated through annual audited financial statements.

The fair value hierarchy table presenting the Foundation's investments measured at fair value, excluding cash surrender value of life insurance, is as follows as of December 31:

	2020	2019
Level 1 — Quoted prices in active markets for identical securities		
American depository receipts	\$ 16,217,431	\$ 16,814,130
Closed end funds	249,825	312,082
Common and foreign stocks	152,045,892	128,671,609
Exchange traded funds	114,490,517	97,669,756
Mutual funds	512,649,946	503,994,456
Preferred stocks	10,680	16,409
Real estate investment trusts	2,331,177	2,098,104
Total Level 1	<u>797,995,468</u>	<u>749,576,546</u>
Level 2 — Significant observable inputs		
Corporate bonds	39,208,913	27,103,065
Government bonds	32,385,595	18,047,804
Mortgage backed securities	17,117,661	9,126,085
Municipal bonds	10,040,922	6,039,038
Total Level 2	<u>98,753,091</u>	<u>60,315,992</u>
Level 3 — Significant unobservable inputs		
Privately held corporate stock	7,614,695	7,525,262
Investments measured at NAV as a practical expedient		
Hedge funds	198,207,937	196,990,247
Private equity funds	112,345,521	93,817,115
Total investments measured at NAV as a practical expedient	<u>310,553,458</u>	<u>290,807,362</u>
Total	<u>\$ 1,214,916,712</u>	<u>\$ 1,108,225,162</u>

Net realized and unrealized gains on investments consists of the following for the years ended December 31:

	2020	2019
Net realized gains on investments	\$ 40,191,604	\$ 27,177,286
Net unrealized gains on investments	<u>74,860,812</u>	<u>128,987,866</u>
Net realized and unrealized gains on investments	<u>\$ 115,052,416</u>	<u>\$ 156,165,152</u>

In accordance with ASU 2009-12, as a practical expedient, the Foundation has determined the fair value of its assets based on the NAV per share basis for certain investments it holds. These investments are predominantly in limited partnerships although some are held in unitized trusts. They represent investments in hedge fund of funds, direct investments in hedge funds, private equity partnerships, public equity funds and real estate. The Foundation has classified these according to the type of investment as well as their redemption frequency and notification requirements. In total they represent \$310,553,458 and \$290,807,362 of the total assets of the Foundation or 21.3% and 22.0% for the years ended December 31, 2020 and 2019, respectively.

<u>December 31, 2020</u>				
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice
Private equity funds	\$ 112,345,521 (a)	\$ 93,584,707	N/A	N/A
Limited partnerships & commingled funds - daily exit	15,619,816	-	Daily	N/A
Limited partnerships & commingled funds - monthly exit	115,324,450	-	Monthly	10 - 90 Days
Limited partnerships & commingled funds - quarterly exit	52,270,313	-	Quarterly	60 - 95 Days
Limited partnerships & commingled funds - annual exit	14,664,051	-	Annual	40 - 45 Days
Limited partnerships & commingled funds - gated exit	<u>329,307 (a)</u>	-	N/A	N/A
Total fair value	<u>\$ 310,553,458</u>			

- (a) The nature of these investments are such that distributions are received by the Foundation upon the liquidation of the underlying assets of the funds. It is estimated that the underlying assets of the funds are typically liquidated over 2 to 12 years.

4. CONTRIBUTIONS RECEIVABLE AND OTHER ASSETS

Contributions receivable and other assets, at net present value, consisted of the following as of December 31, 2020:

	Total	Less Than One Year	One to Five Years	Thereafter
Contributions receivable:				
Bequests	\$ 17,312,194	\$ 17,312,194	\$ -	\$ -
Charitable remainder trusts	92,797,077	1,696,139	11,343,137	79,757,801
Charitable lead trusts	1,253,652	136,603	506,759	610,290
Contributions	<u>6,559,647</u>	<u>2,629,263</u>	<u>3,693,752</u>	<u>236,632</u>
Total contributions receivable	117,922,570	21,774,199	15,543,648	80,604,723
Other assets:				
Trusts held by others	12,710,592	-	-	12,710,592
Other	<u>37,186</u>	<u>37,186</u>	<u>-</u>	<u>-</u>
Total other assets	<u>12,747,778</u>	<u>37,186</u>	<u>-</u>	<u>12,710,592</u>
Net present value of contributions receivable and other assets	<u>\$ 130,670,348</u>	<u>\$ 21,811,385</u>	<u>\$ 15,543,648</u>	<u>\$ 93,315,315</u>

5. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities consisted of the following as of December 31:

	2020	2019
Fiscal agent funds	\$ 12,544,923	\$ 12,149,769
Annuity obligations	1,811,784	1,642,584
Accounts payable	388,096	308,408
Accrued expenses	<u>691,668</u>	<u>388,712</u>
Total	<u>\$ 15,436,471</u>	<u>\$ 14,489,473</u>

In partnership with other grantmakers and within guidelines adopted by the Foundation's Board of Directors, the Foundation serves as fiscal sponsor for pooled funds of several community-wide initiatives. In this capacity, the Foundation receives and distributes funds throughout the course of the initiative within a framework established by the funders. The amounts received are recorded as investments and liabilities until the funds are disbursed. During 2019, the Foundation recorded an adjustment related to

fiscal agency funds of \$7,726,333 in other adjustments to net assets in the consolidated statement of activities.

Annuity obligations are payments due to beneficiaries under various split-interest arrangements, and such obligations are recognized at present value.

6. GRANTS PAYABLE

Grants payable as of December 31, 2020, are payable in the following years:

Years Ending December 31,

2021	\$ 9,148,149
2022	391,505
2023	153,255
2024	4,500
2025	3,000
Thereafter	<u>5,498</u>
Total	<u><u>\$ 9,705,907</u></u>

The Foundation does approve grants with conditions; however, the probability is remote that the grantees will not meet these conditions. Accordingly, such grants are accounted for as grants payable when approved.

7. ENDOWMENT

The Foundation's endowment consists of various investment funds established for a variety of purposes. Its endowment includes donor-restricted endowment funds, and funds in which the Foundation is the beneficiary of income from certain irrevocable trusts held by trustees and are to remain in trust in perpetuity and not revert to the Foundation. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's endowment-related activity during the years ended December 31, 2020 and 2019, is as follows:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 64,794,949	\$ 1,099,717,298	\$ 1,164,512,247
Contributions	12,650,520	43,880,390	56,530,910
Income on investments, net of fees	1,587,411	14,831,265	16,418,676
Other	628	-	628
Expenses	(77,291,575)	-	(77,291,575)
Net assets released from donor restrictions	55,862,390	(55,862,390)	-
Net appreciation in investments	3,253,392	131,106,846	134,360,238
Change in endowment net assets	(3,937,234)	133,956,111	130,018,877
Endowment net assets, end of year	\$ 60,857,715	\$ 1,233,673,409	\$ 1,294,531,124
	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 52,363,108	\$ 961,674,412	\$ 1,014,037,520
Contributions	13,218,401	34,585,228	47,803,629
Income on investments, net of fees	1,917,226	13,992,337	15,909,563
Other	645	-	645
Expenses	(60,949,236)	-	(60,949,236)
Net assets released from donor restrictions	56,153,108	(56,153,108)	-
Other adjustments to net assets	(646,009)	(7,080,324)	(7,726,333)
Net appreciation in investments	2,737,706	152,698,753	155,436,459
Change in endowment net assets	12,431,841	138,042,886	150,474,727
Endowment net assets, end of year	\$ 64,794,949	\$ 1,099,717,298	\$ 1,164,512,247

The endowment net asset composition by type of fund as of December 31, 2020 and 2019, is comprised of the following:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Supporting organizations	\$ -	\$ 15,929,455	\$ 15,929,455
Donor advised	49,693,647	356,535,576	406,229,223
Donor designated	269,238	208,739,713	209,008,951
Field of interest	4,294,668	258,064,180	262,358,848
Scholarship	2,636,092	83,563,241	86,199,333
Undesignated	3,964,070	310,841,244	314,805,314
Total	<u>\$ 60,857,715</u>	<u>\$ 1,233,673,409</u>	<u>\$ 1,294,531,124</u>

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Supporting organizations	\$ 114,735	\$ 10,236,976	\$ 10,351,711
Donor advised	48,919,623	326,468,107	375,387,730
Donor designated	1,408,828	180,584,148	181,992,976
Field of interest	9,136,678	235,956,427	245,093,105
Scholarship	2,469,058	72,896,892	75,365,950
Undesignated	2,746,027	273,574,748	276,320,775
Total	<u>\$ 64,794,949</u>	<u>\$ 1,099,717,298</u>	<u>\$ 1,164,512,247</u>

In addition to endowment net assets, the Foundation also manages other non-endowed funds. The Foundation's net assets as of December 31, 2020 and 2019, are summarized as follows:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment funds	\$ 60,857,715	\$ 1,233,673,409	\$ 1,294,531,124
Non-endowment funds	114,652,495	16,572,431	131,224,926
Total	<u>\$ 175,510,210</u>	<u>\$ 1,250,245,840</u>	<u>\$ 1,425,756,050</u>

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment funds	\$ 64,794,949	\$ 1,099,717,298	\$ 1,164,512,247
Non-endowment funds	110,506,590	14,609,368	125,115,958
Total	<u>\$ 175,301,539</u>	<u>\$ 1,114,326,666</u>	<u>\$ 1,289,628,205</u>

Included within the net asset classification with donor restrictions, are assets held in perpetuity of \$23,689,593 and \$17,834,212, as of December 31, 2020 and 2019, respectively. The change in value for these assets held in perpetuity is \$5,855,381 and \$5,219,344 for the years ending December 31, 2020 and 2019, respectively.

8. COMMITMENTS AND CONTINGENCIES

Lease Commitments — Future minimum lease payments required under non-cancellable operating leases for office space are as follows:

Years Ending December 31,

2021	\$ 767,581
2022	407,132
2023	116,820
2024	34,239
2025	23,700
Thereafter	<u>118,500</u>
Total	<u>\$ 1,467,972</u>

9. PENSION PLANS

Effective December 31, 2014, the Foundation froze all benefit accruals under its noncontributory defined benefit pension plan (the “Plan”). The Plan was previously amended to freeze eligibility and limit coverage to only all full-time employees of the Foundation and certain controlled supporting organizations hired prior to January 1, 2012. The Foundation expects to contribute \$33,000 to the Plan in 2021. The Board of Directors retains the responsibility for establishing standards and reviewing investment manager performance.

The Foundation follows the provisions of FASB Standards for Employees’ Accounting for Defined Benefit Pension and Other Postretirement plans. The Foundation has recorded a liability for accrued benefit costs on its consolidated statements of financial position of \$5,892,545 and \$6,140,352 as of December 31, 2020 and 2019, respectively.

Based on current data and assumptions, future benefit payments are expected to be paid as follows:

Years Ending December 31,	Pension Benefits
2021	\$ 900,726
2022	809,618
2023	793,888
2024	789,718
2025	784,567
2026–2030	4,175,834

The financial information about the Plan is as follows as of December 31:

	2020	2019
Accumulated benefit obligation	<u>\$ 18,699,726</u>	<u>\$ 17,038,159</u>
Projected benefit obligation	18,699,726	17,038,159
Fair value of plan assets	<u>12,807,181</u>	<u>10,897,807</u>
Unfunded status	<u>\$ (5,892,545)</u>	<u>\$ (6,140,352)</u>

Weighted-average assumptions used to determine benefit obligations at year-end are as follows:

	2020	2019
Discount rate	2.50 %	3.25 %
Mortality table	Pri-2012	Pri-2012

A summary of the components of net periodic pension cost, employer contributions and benefits paid is as follows for the years ended December 31:

	2020	2019
Interest cost on projected benefit obligation	\$ 535,776	\$ 603,100
Expected return on Plan assets	(740,739)	(620,762)
Net loss for the period	<u>917,156</u>	<u>1,044,932</u>
Net periodic pension cost	<u>\$ 712,193</u>	<u>\$ 1,027,270</u>
Employer contributions	<u>\$ 960,000</u>	<u>\$ 426,250</u>
Benefits paid	<u>\$ 603,522</u>	<u>\$ 422,884</u>

Weighted-average assumptions used to determine net periodic pension cost:

	2020	2019
Discount rate	3.25 %	4.25 %
Expected return on plan assets	7.00	7.00
Rate of compensation increase	N/A	N/A
Mortality table	Pri-2012	Pri-2012

The value of the assets is calculated at December 31, 2020 and 2019. Assets are allocated among the following categories as of December 31:

Asset Category	2020			2019		
	Fair Value	Actual Range	Target Range	Fair Value	Actual Range	Target Range
Cash and cash equivalents	\$ 249,087	2 %	-	\$ 184,832	2 %	-
Equity securities	9,012,098	70 %	69 %	7,662,206	70 %	69 %
Debt securities	<u>3,545,996</u>	<u>28 %</u>	<u>31 %</u>	<u>3,050,769</u>	<u>28 %</u>	<u>31 %</u>
Total	<u>\$ 12,807,181</u>	<u>100 %</u>	<u>100 %</u>	<u>\$ 10,897,807</u>	<u>100 %</u>	<u>100 %</u>

The investment strategy for the Plan includes a long-term, risk-controlled approach using diversified investment options with a minimal exposure to volatile investment options like derivatives. The long-term rate of return assumption of 7.00% for both 2020 and 2019 represents the expected long-term rate of return on a 65/35 stocks to bonds portfolio. Now that the Plan is in the range of 80-100% funded the long-term investment objective of the plan is 69/31 equity to debt.

The aggregate carrying value of assets is summarized as follows as of December 31:

	2020	2019
Level 1 — Quoted prices in active markets for identical securities		
Equity securities:		
U.S. large-cap	\$ 4,177,809	\$ 3,556,107
International large-cap	3,151,038	2,682,357
International small/mid-cap	1,683,251	1,423,742
	<u>9,012,098</u>	<u>7,662,206</u>
Level 2 — Significant observable inputs		
Debt securities — corporate bonds	<u>3,545,996</u>	<u>3,050,769</u>
Cash and cash equivalents	<u>249,087</u>	<u>184,832</u>
Total assets	<u>\$ 12,807,181</u>	<u>\$ 10,897,807</u>

The Foundation also sponsors a 403(b) defined contribution plan (the “DC Plan”) covering all full-time employees hired after December 31, 2011. The Foundation is required to contribute 10% of the employees’ compensation to the DC Plan. Total expense for 2020 and 2019 was \$538,041 and \$539,741, respectively. Beginning January 1, 2015, all full-time employees of the Foundation are covered by the DC Plan.

10. CONCENTRATION

Invested assets which potentially expose the Foundation to concentrations of credit risk include cash and cash equivalents and investments. As a matter of policy, the Foundation only maintains invested assets with highly rated financial institutions. In addition, the majority of the Foundation’s invested assets are held in trusts administered by locally based national banks. At times, balances of such invested assets may be in excess of FDIC and SIPC insured limits. Management believes that the credit risk for investments in the Foundation’s portfolio is mitigated by the overall diversification of each managed investment portfolio.

11. SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through June 9, 2021, the date the consolidated financial statements were available to be issued.

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ADDITIONAL INFORMATION

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020							2019	
	Parent Only	Neighborhood Allies	The Pittsburgh Promise Foundation	The Forbes Funds	Charles E. Kaufman Foundation	Jack G. Buncher Charitable Fund	Eliminations	Total	Total
ASSETS									
Cash and cash equivalents	\$ 84,994,307	\$ 8,184,593	\$ 6,688,432	\$ 2,535,076	\$ 454,190	\$ -	\$ -	\$ 102,856,598	\$ 102,299,155
Contributions receivable and other assets	124,074,515	682,592	5,873,241	40,000	-	-	-	130,670,348	101,858,135
Accounts and investment income receivable	1,063,966	250	72,191	23,674	-	-	(118,972) (a)	1,041,109	969,230
Due from related entity	-	-	-	-	48,143,628	556,705	(48,700,333) (a)	-	-
Investments	1,139,685,604	8,368,358	54,639,358	7,201,269	-	7,614,695	-	1,217,509,284	1,111,062,781
Program-related investments	3,278,971	-	-	-	-	-	-	3,278,971	3,278,971
Rental property	347,305	-	-	-	-	-	-	347,305	347,305
Furniture, fixtures and equipment, net of accumulated depreciation of \$5,426,953 and \$4,776,940 for 2020 and 2019, respectively	923,829	8,573	154,956	-	-	-	-	1,087,358	1,343,877
Total	\$ 1,354,368,497	\$ 17,244,366	\$ 67,428,178	\$ 9,800,019	\$ 48,597,818	\$ 8,171,400	\$ (48,819,305)	\$ 1,456,790,973	\$ 1,321,159,454
LIABILITIES AND NET ASSETS									
LIABILITIES:									
Accounts payable and other liabilities	\$ 15,262,609	\$ 143,201	\$ 52,303	\$ 97,330	\$ -	\$ -	\$ (118,972) (a)	\$ 15,436,471	\$ 14,489,473
Due to related entity	48,700,333	-	-	-	-	-	(48,700,333) (a)	-	-
Grants payable	4,062,469	62,600	4,273,679	357,159	950,000	-	-	9,705,907	10,901,424
Accrued pension liability	5,723,401	-	-	169,144	-	-	-	5,892,545	6,140,352
Total liabilities	73,748,812	205,801	4,325,982	623,633	950,000	-	(48,819,305)	31,034,923	31,531,249
NET ASSETS:									
Without donor restrictions	62,875,731	641,825	55,178,288	995,148	47,647,818	8,171,400	-	175,510,210	175,301,539
With donor restrictions	1,217,743,954	16,396,740	7,923,908	8,181,238	-	-	-	1,250,245,840	1,114,326,666
Total net assets	1,280,619,685	17,038,565	63,102,196	9,176,386	47,647,818	8,171,400	-	1,425,756,050	1,289,628,205
Total	\$ 1,354,368,497	\$ 17,244,366	\$ 67,428,178	\$ 9,800,019	\$ 48,597,818	\$ 8,171,400	\$ (48,819,305)	\$ 1,456,790,973	\$ 1,321,159,454

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020								2019
	Parent Only	Neighborhood Allies	The Pittsburgh Promise Foundation	The Forbes Funds	Charles E. Kaufman Foundation	Jack G. Buncher Charitable Fund	Eliminations	Total	Total
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:									
Revenues and gains:									
Contributions	\$ 10,185,944	\$ 1,658,443	\$ 5,293,835	\$ 921,340	\$ -	\$ 500,000	\$ (2,299,888) (c)	\$ 16,259,674	\$ 15,717,853
Income on investments, net of investment fees of \$511,941 and \$500,549 in 2020 and 2019, respectively	1,536,038	38,295	851,899	141,894	670,276	626,370	-	3,864,772	4,089,433
Net realized and unrealized gains on investments	3,342,934	-	5,244,831	-	3,801,905	223,775	-	12,613,445	18,390,834
Other	1,635,570	237,820	-	7,539	198	-	(563,061) (b)	1,318,066	1,451,518
Total revenues and gains without donor restrictions	16,700,486	1,934,558	11,390,565	1,070,773	4,472,379	1,350,145	(2,862,949)	34,055,957	39,649,638
Net assets released resulting from satisfaction of donor restrictions	55,688,141	2,066,938	2,379,706	1,215,795	-	-	(625,000) (c)	60,725,580	60,692,474
Total revenues, gains, and other support without donor restrictions	72,388,627	4,001,496	13,770,271	2,286,568	4,472,379	1,350,145	(3,487,949)	94,781,537	100,342,112
Expenses:									
Grants approved, net of cancellations and refunds of \$950,938 and \$829,623 in 2020 and 2019, respectively	62,560,400	1,321,800	9,369,345	296,468	1,756,711	1,577,000	(2,924,888) (c)	73,956,836	60,765,593
Program services expenses	6,277,097	2,277,761	1,423,897	1,587,771	-	-	(181,667) (b)	11,384,859	10,816,317
Fundraising and development expenses	2,865,409	93,035	1,007,809	101,581	-	-	(44,650) (b)	4,023,184	4,228,812
Management and general administrative expenses	4,111,238	536,704	181,907	342,771	371,111	1,000	(336,744) (b)	5,207,987	5,260,107
Total expenses	75,814,144	4,229,300	11,982,958	2,328,591	2,127,822	1,578,000	(3,487,949)	94,572,866	81,070,829
Others adjustments to net assets without donor restrictions	-	-	-	-	-	-	-	-	(646,009)
Increase (decrease) in net assets without donor restrictions	(3,425,517)	(227,804)	1,787,313	(42,023)	2,344,557	(227,855)	-	208,671	18,625,274

(Continued)

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020								2019
	Parent Only	Neighborhood Allies	The Pittsburgh Promise Foundation	The Forbes Funds	Charles E. Kaufman Foundation	Jack G. Buncher Charitable Fund	Eliminations	Total	Total
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS									
Contributions	\$ 32,112,505	\$ 8,831,253	\$ 2,060,500	\$ 1,059,500	\$ -	\$ -	\$ (625,000) (c)	\$ 43,438,758	\$ 43,328,795
Bequests and split-interest contributions	7,267,885	-	-	-	-	-	-	7,267,885	2,443,103
Changes in the value of split-interest agreements	28,667,875	-	-	-	-	-	-	28,667,875	14,924,435
Income on investments, net of investment fees of \$3,877,396 and \$4,573,664 in 2020 and 2019, respectively	14,706,267	124,998	-	-	-	-	-	14,831,265	13,992,337
Net realized and unrealized gains on investments	101,197,241	649,435	-	592,295	-	-	-	102,438,971	137,774,318
Net assets released resulting from satisfaction of donor restrictions	(55,688,141)	(2,066,938)	(2,379,706)	(1,215,795)	-	-	625,000 (c)	(60,725,580)	(60,692,474)
Other adjustments to net assets with donor restrictions	-	-	-	-	-	-	-	-	(8,080,324)
Increase (decrease) in net assets with donor restrictions	128,263,632	7,538,748	(319,206)	436,000	-	-	-	135,919,174	143,690,190
INCREASE (DECREASE) IN NET ASSETS	124,838,115	7,310,944	1,468,107	393,977	2,344,557	(227,855)	-	136,127,845	162,315,464
NET ASSETS — Beginning of year	1,155,781,570	9,727,621	61,634,089	8,782,409	45,303,261	8,399,255	-	1,289,628,205	1,127,312,741
NET ASSETS — End of year	\$ 1,280,619,685	\$ 17,038,565	\$ 63,102,196	\$ 9,176,386	\$ 47,647,818	\$ 8,171,400	\$ -	\$ 1,425,756,050	\$ 1,289,628,205

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

CONSOLIDATING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020								2019
	Parent Only	Neighborhood Allies	The Pittsburgh Promise Foundation	The Forbes Funds	Charles E. Kaufman Foundation	Jack G. Buncher Charitable Fund	Eliminations	Total	Total
CASH FLOWS FROM OPERATING ACTIVITIES									
Increase (decrease) in net assets	\$ 124,838,115	\$ 7,310,944	\$ 1,468,107	\$ 393,977	\$ 2,344,557	\$ (227,855)	\$ -	\$ 136,127,845	\$ 162,315,464
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:									
Depreciation	586,015	1,807	62,191	-	-	-	-	650,013	788,760
Contribution of noncash gifts	(21,700,943)	-	(1,159,600)	-	-	-	-	(22,860,543)	(14,094,697)
Net realized and unrealized gains on investments	(104,540,175)	(649,435)	(5,244,831)	(592,295)	-	(89,434)	-	(111,116,170)	(150,031,989)
(Increase) decrease in accounts, contributions, and investment income receivables and other assets	(21,341,869)	(192,890)	240,036	(18,410)	(1,997,654)	317,289	1,381,293 (a)	(21,612,205)	115,137
Increase (decrease) in total liabilities	2,750,971	(265,658)	(1,650,150)	(196)	50,000	-	(1,381,293) (a)	(496,326)	7,736,567
Net cash provided by (used in) operating activities	(19,407,886)	6,204,768	(6,284,247)	(216,924)	396,903	-	-	(19,307,386)	6,829,242
CASH FLOWS FROM INVESTING ACTIVITIES									
Purchases of furniture, fixtures, and equipment	(388,648)	-	(4,846)	-	-	-	-	(393,494)	(55,628)
Program-related loans receivable collected	-	-	-	-	-	-	-	-	148,529
Purchases of investments	(421,911,931)	(4,093,093)	(13,316,635)	(889,131)	-	-	-	(440,210,790)	(374,644,098)
Proceeds from sales of investments	442,467,923	-	17,122,533	878,657	-	-	-	460,469,113	386,663,902
Net cash provided by (used in) investing activities	20,167,344	(4,093,093)	3,801,052	(10,474)	-	-	-	19,864,829	12,112,705
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	759,458	2,111,675	(2,483,195)	(227,398)	396,903	-	-	557,443	18,941,947
CASH AND CASH EQUIVALENTS — Beginning of year	84,234,849	6,072,918	9,171,627	2,762,474	57,287	-	-	102,299,155	83,357,208
CASH AND CASH EQUIVALENTS — End of year	\$ 84,994,307	\$ 8,184,593	\$ 6,688,432	\$ 2,535,076	\$ 454,190	\$ -	\$ -	\$ 102,856,598	\$ 102,299,155

THE PITTSBURGH FOUNDATION
(And Controlled Supporting Organizations)

ELIMINATING AND ADJUSTING ENTRIES
FOR THE YEAR ENDED DECEMBER 31, 2020

- (a) To eliminate inter-foundation payables/receivables.
- (b) To eliminate inter-foundation revenues/expenses.
- (c) To eliminate inter-foundation grant contributions/expenditures.

THE PITTSBURGH FOUNDATION
(Parent Only)

BY FUND SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020					2019
	Restricted Funds	Agency Funds	Discretionary Funds	Operating Funds	Total	Total
ASSETS						
Cash and cash equivalents	\$ 117,598	\$ 1,020	\$ 83,556,918	\$ 1,318,771	\$ 84,994,307	\$ 84,234,849
Contributions receivable and other assets	42,355,353	-	81,719,162	-	124,074,515	95,318,276
Accounts and investment income receivable	-	-	467,827	596,139	1,063,966	1,210,451
Investments	659,717,219	12,651,378	462,080,562	5,236,445	1,139,685,604	1,041,268,363
Program-related investments	2,778,971	-	500,000	-	3,278,971	3,278,971
Rental property	-	-	-	347,305	347,305	347,305
Furniture, fixtures and equipment, net	2,278	-	333	921,218	923,829	1,121,196
Total	<u>\$ 704,971,419</u>	<u>\$ 12,652,398</u>	<u>\$ 628,324,802</u>	<u>\$ 8,419,878</u>	<u>\$ 1,354,368,497</u>	<u>\$ 1,226,779,411</u>
LIABILITIES AND NET ASSETS						
LIABILITIES:						
Accounts payable and other liabilities	\$ 82,416	\$ 12,570,423	\$ 1,931,309	\$ 678,461	\$ 15,262,609	\$ 14,370,767
Due to related entity	-	-	48,700,333	-	48,700,333	47,019,967
Grants payable	1,674,642	81,975	2,305,852	-	4,062,469	3,661,819
Accrued pension liability	-	-	-	5,723,401	5,723,401	5,945,288
Total liabilities	<u>1,757,058</u>	<u>12,652,398</u>	<u>52,937,494</u>	<u>6,401,862</u>	<u>73,748,812</u>	<u>70,997,841</u>
NET ASSETS :						
Without donor restrictions	<u>53,212,800</u>	<u>-</u>	<u>7,644,915</u>	<u>2,018,016</u>	<u>62,875,731</u>	<u>66,301,248</u>
With donor restrictions						
For grants	641,449,960	-	567,742,393	-	1,209,192,353	1,080,928,721
For administration endowment	8,551,601	-	-	-	8,551,601	8,551,601
Total net assets with donor restrictions	<u>650,001,561</u>	<u>-</u>	<u>567,742,393</u>	<u>-</u>	<u>1,217,743,954</u>	<u>1,089,480,322</u>
Total net assets	<u>703,214,361</u>	<u>-</u>	<u>575,387,308</u>	<u>2,018,016</u>	<u>1,280,619,685</u>	<u>1,155,781,570</u>
TOTAL	<u>\$ 704,971,419</u>	<u>\$ 12,652,398</u>	<u>\$ 628,324,802</u>	<u>\$ 8,419,878</u>	<u>\$ 1,354,368,497</u>	<u>\$ 1,226,779,411</u>

THE PITTSBURGH FOUNDATION
(Parent Only)

BY FUND SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020					2019
	Restricted Funds	Agency Funds	Discretionary Funds	Operating Funds	Eliminations	Total
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:						
Revenues and gains:						
Contributions	\$ 9,963,728	\$ -	\$ 2,686,792	\$ 1,115,729	\$ (3,580,305)	\$ 10,185,944
Income on investments, net of investment fees of \$156,044 and \$7,722 in 2020 and 2019, respectively	967,950	-	483,677	84,411	-	1,536,038
Net realized and unrealized gains on investments	2,872,883	-	380,509	89,542	-	3,342,934
Administrative grant transfer	(5,228,570)	-	(4,783,750)	10,953,003	-	940,683
Other	-	-	628	694,259	-	694,887
Fund type net asset reclass	(1,197,672)	-	1,197,672	-	-	-
Total revenues and gains without donor restrictions	7,378,319	-	(34,472)	12,936,944	(3,580,305)	16,700,486
Net assets released resulting from satisfaction of donor restrictions	35,319,534	-	20,368,607	-	-	55,688,141
Total revenues, gains, and other support without donor restrictions	42,697,853	-	20,334,135	12,936,944	(3,580,305)	72,388,627
Expenses:						
Grants approved, net of cancellations and refunds of \$647,322 and \$564,039 in 2020 and 2019, respectively	41,792,081	-	24,266,961	81,663	(3,580,305)	62,560,400
Other program, development and general administrative expenses	605,851	-	189,594	12,458,299	-	13,253,744
Total expenses	42,397,932	-	24,456,555	12,539,962	(3,580,305)	75,814,144
Others adjustments to net assets without donor restrictions	-	-	-	-	-	-
Increase (decrease) in net assets without donor restrictions	299,921	-	(4,122,420)	396,982	-	(3,425,517)

(Continued)

THE PITTSBURGH FOUNDATION
(Parent Only)

BY FUND SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020						2019
	Restricted Funds	Agency Funds	Discretionary Funds	Operating Funds	Eliminations	Total	Total
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:							
Contributions	\$ 28,008,243	\$ -	\$ 4,104,262	\$ -	\$ -	\$ 32,112,505	\$ 28,642,125
Bequests and split-interest contributions	6,941,738	-	326,147	-	-	7,267,885	2,443,103
Changes in the value of split-interest agreements	5,551,086	-	23,116,789	-	-	28,667,875	14,924,435
Income on investments, net of investment fees of \$3,852,276 and \$4,573,664 in 2020 and 2019, respectively	8,042,687	-	6,663,580	-	-	14,706,267	13,942,610
Net realized and unrealized gains on investments	54,531,355	-	46,665,886	-	-	101,197,241	136,539,792
Fund type net asset reclass	1,166,757	-	(1,166,757)	-	-	-	-
Net assets released resulting from satisfaction of donor restrictions	(35,319,534)	-	(20,368,607)	-	-	(55,688,141)	(56,153,108)
Other adjustments to net assets with donor restrictions	-	-	-	-	-	-	(7,080,324)
Increase in net assets with donor restrictions	68,922,332	-	59,341,300	-	-	128,263,632	133,258,633
INCREASE IN NET ASSETS	69,222,253	-	55,218,880	396,982	-	124,838,115	145,427,717
NET ASSETS — Beginning of year	633,992,108	-	520,168,428	1,621,034	-	1,155,781,570	1,010,353,853
NET ASSETS — End of year	\$ 703,214,361	\$ -	\$ 575,387,308	\$ 2,018,016	\$ -	\$ 1,280,619,685	\$ 1,155,781,570