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# Chicago Public Library Foundation

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**Financial Report  
with Supplemental Information  
December 31, 2022**

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## Independent Auditor's Report

To the Board of Directors  
Chicago Public Library Foundation

### **Opinion**

We have audited the financial statements of the Chicago Public Library Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2022 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2022 and the changes in its net assets, functional expenses, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Foundation and to meet our 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.

### **Emphasis of Matters**

As discussed in Note 14 to the financial statements, the 2021 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

As described in Note 3 to the financial statements, the Foundation adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases*, and ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, as of January 1, 2022. Our opinion is not modified with respect to this matter.

### **Report on Prior Year Financial Statements**

The financial statements of the Foundation as of December 31, 2021 were audited by other auditors, who expressed an unmodified opinion on those statements on June 16, 2022.

### **Responsibilities of Management for the Financial Statements**

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

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

To the Board of Directors  
Chicago Public Library Foundation

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

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

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

*Plante & Moran, PLLC*

June 13, 2023

## Statement of Financial Position

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u> (Restated)
<b>Assets</b>		
Cash and cash equivalents	\$ 4,238,711	\$ 5,150,448
Accounts receivable	-	25,558
Pledges receivable	980,395	444,070
Interest/dividends receivable	144,960	104,725
Investments	28,119,175	33,399,081
Prepaid expenses	57,399	37,890
Property, equipment and collections	1	1
Right-of-use assets - Operating - Net	206,921	-
	<u>\$ 33,747,562</u>	<u>\$ 39,161,773</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 230,140	\$ 190,238
Lease liabilities - Operating	209,935	-
	<u>440,075</u>	<u>190,238</u>
<b>Net Assets</b>		
Without donor restrictions:		
Undesignated	15,662,771	18,592,843
Designated by the Board for endowment	1,058,870	1,316,879
Designated by the Board for other	2,650,000	2,650,000
	<u>19,371,641</u>	<u>22,559,722</u>
With donor restrictions:		
Perpetual in nature	8,641,882	8,641,882
Endowment earnings subject to appropriations	2,545,286	5,271,199
Purpose restrictions	2,748,678	2,498,732
	<u>13,935,846</u>	<u>16,411,813</u>
Total net assets	<u>33,307,487</u>	<u>38,971,535</u>
Total liabilities and net assets	<u>\$ 33,747,562</u>	<u>\$ 39,161,773</u>

# Chicago Public Library Foundation

## Statement of Activities and Changes in Net Assets

Year Ended December 31, 2022

(with comparative totals for the year ended December 31, 2021)

	Undesignated and Designated by the Board for endowment	Designated by the Board for other	Total Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total (Restated)
<b>Operating</b>						
Support and revenue:						
Contributions	\$ 731,683	\$ -	\$ 731,683	\$ 1,372,362	\$ 2,104,045	\$ 2,244,043
Special event revenue- Net of expenses	803,484	-	803,484	655,000	1,458,484	1,196,746
Appropriation of investment assets	1,303,704	-	1,303,704	-	1,303,704	1,232,161
Other income	3,724	-	3,724	-	3,724	196
Contributed nonfinancial assets	224,761	-	224,761	-	224,761	89,984
Net assets released from restrictions	1,777,416	-	1,777,416	(1,777,416)	-	-
Total support and revenue	4,844,772	-	4,844,772	249,946	5,094,718	4,763,130
<b>Expenses</b>						
Program services	2,429,671	-	2,429,671	-	2,429,671	1,704,041
Supporting services:						
Management and general	664,878	-	664,878	-	664,878	646,885
Fundraising	1,120,520	-	1,120,520	-	1,120,520	1,106,607
Total support services	1,785,398	-	1,785,398	-	1,785,398	1,753,492
Total expenses	4,215,069	-	4,215,069	-	4,215,069	3,457,533
<b>Change in Net Assets From Operating Activities</b>	629,703	-	629,703	249,946	879,649	1,305,597
<b>Nonoperating</b>						
Net (losses) gains on investments	(3,057,165)	-	(3,057,165)	(2,182,828)	(5,239,993)	3,859,481
Appropriation of investment assets	(760,619)	-	(760,619)	(543,085)	(1,303,704)	(1,232,161)
Change in net assets from nonoperating activities	(3,817,784)	-	(3,817,784)	(2,725,913)	(6,543,697)	2,627,320
Change in net assets	(3,188,081)	-	(3,188,081)	(2,475,967)	(5,664,048)	3,932,917
<b>Net Assets - Beginning of year</b>	19,909,722	2,650,000	22,559,722	16,411,813	38,971,535	35,038,618
<b>Net Assets - Ending of year</b>	\$ 16,721,641	\$ 2,650,000	\$ 19,371,641	\$ 13,935,846	\$ 33,307,487	\$ 38,971,535

# Chicago Public Library Foundation

## Statement of Activities and Changes in Net Assets

Year Ended December 31, 2021 (Restated)

	Undesignated and Designated by the Board for endowment	Designated by the Board for other	Total Without Donor Restrictions	With Donor Restrictions	2021 Total (Restated)
<b>Operating</b>					
Support and revenue:					
Contributions	\$ 989,819	\$ -	\$ 989,819	\$ 1,254,224	\$ 2,244,043
Special event revenue - Net of expenses	1,056,746	-	1,056,746	140,000	1,196,746
Appropriation of investment assets	1,232,161	-	1,232,161	-	1,232,161
Other income	196	-	196	-	196
Contributed nonfinancial assets	89,984	-	89,984	-	89,984
Transfer to board designated, other	(1,400,000)	1,400,000	-	-	-
Net assets released from restrictions	1,497,555	-	1,497,555	(1,497,555)	-
Total support and revenue	3,466,461	1,400,000	4,866,461	(103,331)	4,763,130
<b>Expenses</b>					
Program services	1,704,041	-	1,704,041	-	1,704,041
Supporting services:					
Management and general	646,885	-	646,885	-	646,885
Fundraising	1,106,607	-	1,106,607	-	1,106,607
Total support services	1,753,492	-	1,753,492	-	1,753,492
Total expenses	3,457,533	-	3,457,533	-	3,457,533
<b>Change in Net Assets From Operating Activities</b>	<b>8,928</b>	<b>1,400,000</b>	<b>1,408,928</b>	<b>(103,331)</b>	<b>1,305,597</b>
<b>Nonoperating</b>					
Net gains on investments	2,254,263	-	2,254,263	1,605,218	3,859,481
Appropriation of endowment assets for spending	(719,794)	-	(719,794)	(512,367)	(1,232,161)
Change in net assets from nonoperating activities	1,534,469	-	1,534,469	1,092,851	2,627,320
Change in net assets	1,543,397	1,400,000	2,943,397	989,520	3,932,917
<b>Net Assets - Beginning of year</b>	<b>18,366,325</b>	<b>1,250,000</b>	<b>19,616,325</b>	<b>15,422,293</b>	<b>35,038,618</b>
<b>Net Assets - Ending of year</b>	<b>\$ 19,909,722</b>	<b>\$ 2,650,000</b>	<b>\$ 22,559,722</b>	<b>\$ 16,411,813</b>	<b>\$ 38,971,535</b>

# Chicago Public Library Foundation

## Statement of Functional Expenses

Year Ended December 31, 2022

	Program Services					Support Services				
	Closing the Academic Opportunity Gap	Activating Connection & Creativity for All	Bridging the Digital Divide	Branch Programs	Other Library Programs	Total	Management and General	Fundraising	Total	Total
Salaries, payroll taxes, and benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 398,097	\$ 785,664	\$ 1,183,761	\$ 1,183,761
Books, subscriptions, and publications	40,330	127,209	-	3,731	-	171,270	-	352	352	171,622
Computer hardware, software, supplies, and amortization	2,661	6,754	44,809	553	-	54,777	21,537	40,418	61,955	116,732
Conferences, meetings, and training	1,077	214	-	-	-	1,291	1,842	4,847	6,689	7,980
Donated services/materials	167,879	2,878	-	-	-	170,757	-	54,004	54,004	224,761
Dues, fees, and memberships	-	-	-	-	-	-	17,684	15,717	33,401	33,401
Honoraria	75,961	233,054	-	26,109	450	335,574	-	-	-	335,574
Insurance	-	-	-	-	-	-	7,891	3,185	11,076	11,076
Marketing and promotion	29,728	12,799	-	-	13,000	55,527	-	103,834	103,834	159,361
Office supplies	-	-	-	-	-	-	6,883	4,193	11,076	11,076
Postage, shipping, and messengers	-	-	-	-	-	-	-	8,380	8,380	8,380
Printing and design	88,823	24,250	7,847	-	-	120,920	-	7,327	7,327	128,247
Audit and tax returns	-	-	-	-	-	-	59,168	-	59,168	59,168
Grant funded positions	308,960	33,064	144,386	-	90,568	576,978	-	-	-	576,978
Investment consultants	-	-	-	-	-	-	31,320	-	31,320	31,320
Legal services	-	-	-	-	-	-	1,006	-	1,006	1,006
Other professional services	48,166	90,514	10,065	1,530	52,875	203,150	77,284	2,355	79,639	282,789
Rent, telephone, and utilities	-	-	-	-	-	-	37,179	65,525	102,704	102,704
Program materials	372,552	260,940	2,845	69,803	962	707,102	-	-	-	707,102
Transportation, travel, and business	4,323	23,957	-	3,021	1,024	32,325	4,987	24,719	29,706	62,031
<b>Total functional expenses</b>	<b>\$ 1,140,460</b>	<b>\$ 815,633</b>	<b>\$ 209,952</b>	<b>\$ 104,747</b>	<b>\$ 158,879</b>	<b>\$ 2,429,671</b>	<b>\$ 664,878</b>	<b>\$ 1,120,520</b>	<b>\$ 1,785,398</b>	<b>\$ 4,215,069</b>



# Chicago Public Library Foundation

## Statement of Functional Expenses

Year Ended December 31, 2021

	Program Services					Support Services				
	Closing the Academic Opportunity Gap	Activating Connection & Creativity for All	Bridging the Digital Divide	Branch Programs	Other Library Programs	Total	Management and General	Fundraising	Total	Total
Salaries, payroll taxes, and benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 426,818	\$ 751,229	\$ 1,178,047	\$ 1,178,047
Books, subscriptions, and publications	43,020	111,450	-	13,450	-	167,920	-	759	759	168,679
Computer hardware, software, supplies, and amortization	3,500	26,746	44,809	2,490	-	77,545	42,804	77,991	120,795	198,340
Conferences, meetings, and training	7,955	-	-	35	-	7,990	1,777	2,768	4,545	12,535
Donated services/materials	55,172	-	-	-	-	55,172	-	34,812	34,812	89,984
Dues, fees, and memberships	-	500	-	-	-	500	24,050	12,523	36,573	37,073
Honoraria	19,090	271,178	-	3,110	-	293,378	-	-	-	293,378
Insurance	-	-	-	-	-	-	7,110	3,319	10,429	10,429
Marketing and promotion	43,570	16,622	-	1,312	-	61,504	-	134,902	134,902	196,406
Office supplies	-	-	-	-	19,000	19,000	4,524	2,605	7,129	26,129
Postage, shipping, and messengers	6	-	-	-	-	6	166	6,482	6,648	6,654
Printing and design	78,298	20,628	-	-	4,970	103,896	118	209	327	104,223
Audit and tax returns	-	-	-	-	-	-	46,350	-	46,350	46,350
Grant funded positions	112,443	-	-	1,604	18,309	132,356	-	-	-	132,356
Investment consultants	-	-	-	-	-	-	37,818	-	37,818	37,818
Legal services	-	-	-	-	-	-	2,655	-	2,655	2,655
Other professional services	28,335	98,051	19,080	125	100,778	246,369	14,110	4,478	18,588	264,957
Rent, telephone, and utilities	-	-	24,930	-	-	24,930	35,353	62,307	97,660	122,590
Program materials	220,572	185,406	2,283	44,727	16,144	469,132	-	-	-	469,132
Transportation, travel, and business	1,114	5,923	-	2,606	34,700	44,343	3,232	12,223	15,455	59,798
<b>Total functional expenses</b>	<b>\$ 613,075</b>	<b>\$ 736,504</b>	<b>\$ 91,102</b>	<b>\$ 69,459</b>	<b>\$ 193,901</b>	<b>\$ 1,704,041</b>	<b>\$ 646,885</b>	<b>\$ 1,106,607</b>	<b>\$ 1,753,492</b>	<b>\$ 3,457,533</b>

## Chicago Public Library Foundation

## Statement of Cash Flows

Years Ended December 31, 2022 and 2021

	2022	2021
<b>Cash Flows from Operating Activities</b>		
(Decrease) increase in net assets	\$ (5,664,048)	\$ 3,932,917
Adjustments to reconcile (decrease) increase in net assets to net cash and cash equivalents from operating activities:		
Realized and unrealized loss (gain) on investments	5,916,529	(3,262,567)
Noncash operating lease expense	3,014	-
Changes in operating assets and liabilities that provided (used) cash and cash equivalents:		
Accounts receivable	25,558	(25,558)
Pledges receivable	(536,325)	190,280
Interest/dividends receivable	(40,235)	(65,043)
Prepaid expenses	(19,509)	19,490
Accounts payable	39,902	32,881
Net cash and cash equivalents (used in) provided by operating activities	(275,114)	822,400
<b>Cash Flows from Investing Activities</b>		
Purchase of investments	(4,098,962)	(1,531,490)
Sale of investments	3,462,339	2,225,559
Net cash and cash equivalents (used in) provided by investing activities	(636,623)	694,069
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(911,737)	1,516,469
<b>Cash and Cash Equivalents - Beginning of year</b>	5,150,448	3,633,979
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 4,238,711</b>	<b>\$ 5,150,448</b>

December 31, 2022 and 2021

**Note 1 - Nature of Business**

The Chicago Public Library Foundation (the "Foundation" or CPLF) was created in 1986 by visionary civic leaders who shared a conviction that private resources are essential to keeping the outstanding Chicago Public Library (the "Library" or CPL) truly world class. Established in the spirit of a true public/private partnership with the City of Chicago, Illinois, the Foundation is an independent nonprofit organization. As a publicly supported entity, gifts to the Foundation are tax deductible to the extent permitted by law. The Foundation's mission is to support collection development, programs, and technology initiatives that connect library users to their community and to the world and ensure that all Chicagoans have the freedom to read, learn, and discover at the Chicago Public Library.

**Note 2 - Significant Accounting Policies**

***Basis of Presentation***

The financial statements of the Foundation have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

***Cash and Cash Equivalents***

The Foundation considers its checking, unrestricted money market, and petty cash to be cash and cash equivalents. Cash balances are maintained at a financial institution and at times may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

***Pledges Receivable***

Pledges of cash and other assets, including unconditional promises to give in the future, are reported as revenue when granted or received, measured at fair value. Pledges receivable at December 31, 2022 and 2021 are expected to be collected within three years. The Foundation has not recorded a provision for doubtful accounts since it is the opinion of management that those receivables are collectible in full. In addition, conditional promises to give are not included as revenue until conditions are substantially met. There were no conditional promises to give at December 31, 2022 or 2021.

***Investments***

Investments are reported at their fair values in the statement of financial position. Donated investments are recorded at their fair value as of the date of contribution. Interest and dividend income and unrealized and realized gains and losses are included in the accompanying statement of activities and changes in net assets. The investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the value of investments will occur in the near term that could materially affect the amounts reported in the financial statements.

***Property, Equipment, and Collections***

The Foundation records property and equipment at cost and depreciates the cost using the straight-line method. Although the financial statements do not disclose the cumulative value of collections, certain artwork received in 1991 as an unrestricted donation has been cataloged and preserved. The artwork acquired prior to December 31, 1991 carries a value of \$1. Since 2003, the artwork has been displayed, on permanent loan, in the Joan W. and Irving B. Harris Theater for Music and Dance.

***Classification of Net Assets***

Net assets of the Foundation are classified based on the presence or absence of donor-imposed restrictions.

December 31, 2022 and 2021

**Note 2 - Significant Accounting Policies (Continued)**

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Foundation.

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, where the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

***Board-designated Net Assets***

Board-designated net assets are net assets without donor restrictions designated by the board primarily for programs at the libraries, such as programs at the Lincoln Park branch library, support for the Teacher in the Library, and other children's programs. These designations are based on board actions, which can be altered or revoked at a future time by the board.

***Contributions***

Unconditional promises to give cash and other assets to the Foundation are reported at fair value on the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value on the date the gift becomes unconditional or is received. The gifts are reported as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the period in which the contributions are received are reported as contributions without donor restrictions in the accompanying financial statements. Net assets with donor restrictions at December 31, 2022 and 2021 are restricted for time and various program purposes.

***Contributed Nonfinancial Assets***

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. See Note 9 for additional information. In addition, various board members donated personal services to the Foundation. These donated services are not reflected in the financial statements since the services are not required to be recorded.

***Special Events Revenue***

The Foundation records special events revenue equal to the fair value of direct benefits to donors and contribution income for the excess received when the event takes place.

***Grants to the Library***

The Foundation recognizes unconditional promises to make grants to the Library as expenses in the period in which the promise is made. Conditional promises to give, however, are not recognized until the conditions on which they depend are substantially met. Grant obligations are measured at their fair values.

December 31, 2022 and 2021

**Note 2 - Significant Accounting Policies (Continued)**

***Functional Allocation of Expenses***

Costs of providing the program and support services have been reported on a functional basis in the statement of functional expenses. Costs have been allocated between the various program and support services based on the basis of actual expense. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Occupancy cost and salaries and wages were allocated on estimates of time and effort. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

***Income Taxes***

The Foundation is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

***Subsequent Events***

The financial statements and related disclosures include evaluation of events up through and including June 13, 2023, which is the date the financial statements were available to be issued.

**Note 3 - Adoption of New Accounting Pronouncements**

As of January 1, 2022, the Foundation adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases*. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of activities and changes in net assets. The Foundation elected to adopt the ASU using the modified retrospective method as of January 1, 2022 and applied the following practical expedients:

- The Foundation did not reassess if expired or existing contracts are or contain a lease.
- The Foundation did not reassess the lease classification for expired or existing leases.
- The Foundation did not reassess initial direct costs for any existing leases.

As a result of the adoption of the ASU, the Foundation recorded a right-of-use asset and a lease liability of \$300,873 as of January 1, 2022 for existing operating leases.

As of January 1, 2022, the Foundation adopted Accounting Standards Update No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU provides for additional disclosures to support clearer financial information about important noncash contributions that charities and other not-for-profit organizations receive, known as gifts in kind (GIKs). Contributed nonfinancial assets are reported by category within the financial statements, and there are additional disclosures included for each category, including whether the nonfinancial assets were monetized or used during the reporting period, the policy for monetizing nonfinancial contributions, and a description of the fair value techniques used to arrive at a fair value measurement (see Note 9). The standard was applied using the modified retrospective method and did not result in a restatement of prior year amounts.

**Note 4 - Pledges Receivable**

Promises to give at December 31, 2022 and 2021 are as follows:

	2022	2021
Receivables due in less than one year	\$ 650,395	\$ 409,070
Receivables due in one to three years	330,000	35,000
Total	<u>\$ 980,395</u>	<u>\$ 444,070</u>

**Note 5 - Fair Value Measurements**

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

December 31, 2022 and 2021

**Note 5 - Fair Value Measurements (Continued)**

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at December 31, 2022 and 2021 and the valuation techniques used by the Foundation to determine those fair values:

Assets Measured at Fair Value on a Recurring Basis at December 31, 2022				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2022
<b>Assets</b>				
Mutual funds:				
U.S. equity funds	\$ 10,167,219	\$ -	\$ -	\$ 10,167,219
Non-U.S. equity funds	5,243,242	-	-	5,243,242
Global equity	4,031,133	-	-	4,031,133
Real estate	1,439,275	-	-	1,439,275
Credit	1,360,444	-	-	1,360,444
Fixed-income funds	5,722,504	-	-	5,722,504
Total assets	<u>\$ 27,963,817</u>	<u>\$ -</u>	<u>\$ -</u>	<u>27,963,817</u>
Alternative investments measured at net asset value				<u>-</u>
Total assets				<u>\$ 27,963,817</u>

Assets Measured at Fair Value on a Recurring Basis at December 31, 2021				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2021
<b>Assets</b>				
Mutual funds:				
U.S. equity funds	\$ 12,171,933	\$ -	\$ -	\$ 12,171,933
Non-U.S. equity funds	6,387,238	-	-	6,387,238
Global equity	4,818,977	-	-	4,818,977
Real assets	1,927,683	-	-	1,927,683
Credit	1,511,359	-	-	1,511,359
Fixed-income funds	6,488,182	-	-	6,488,182
Total	<u>\$ 33,305,372</u>	<u>\$ -</u>	<u>\$ -</u>	<u>33,305,372</u>
Alternative investments measured at net asset value				<u>685</u>
Total assets				<u>\$ 33,306,057</u>

Not included in the above table is \$155,358 and \$93,024 of an insured deposit account as of December 31, 2022 and 2021, respectively. The Foundation considers the insured deposit account to be comparable to cash, which can be used to buy or sell investments in marketable equity securities or fixed-income securities.

December 31, 2022 and 2021

**Note 6 - Net Assets**

Net assets with donor restrictions as of December 31 are available for the following purposes:

	2022	2021 (Restated)
Subject to expenditures for a specified purpose:		
Closing the Academic Opportunity Gap	\$ 860,260	\$ 1,138,235
Activating Connection & Creativity for All	167,318	185,064
Bridging the Digital Divide	353,310	370,835
Branch programs	480,418	492,201
Other library programs	688,759	73,784
Franzin Innovation Fund	143,613	143,613
General support	55,000	95,000
Total subject to expenditures for a specified purpose	2,748,678	2,498,732
Endowments:		
Subject to appropriations and expenditure when a specified event occurs	2,545,286	5,271,199
Restricted in perpetuity	8,641,882	8,641,882
Total endowments	11,187,168	13,913,081
Total	<u>\$ 13,935,846</u>	<u>\$ 16,411,813</u>

**Note 7 - Donor-restricted and Board-designated Endowments**

The Foundation's endowment includes both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. Net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

***Interpretation of Relevant Law***

The Foundation is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the board of directors appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of directors of the Foundation had interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Foundation has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments



December 31, 2022 and 2021

**Note 7 - Donor-restricted and Board-designated Endowments (Continued)**

- Other resources of the Foundation
- The investment policies of the Foundation

Information regarding the endowment net assets as of December 31, 2022 and 2021 and changes in endowment net assets for the years then ended is as follows:

Endowment Net Asset Composition by Type of Fund as of December 31, 2022			
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 1,058,870	\$ -	\$ 1,058,870
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	8,641,882	8,641,882
Accumulated investment gains	-	2,545,286	2,545,286
<b>Total</b>	<b>\$ 1,058,870</b>	<b>\$ 11,187,168</b>	<b>\$ 12,246,038</b>
Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2022			
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	\$ 1,316,879	\$ 13,913,081	\$ 15,229,960
Investment return - Net	(206,606)	(2,182,828)	(2,389,434)
Appropriation of endowment assets for expenditure	-	(543,085)	(543,085)
Other changes - Distribution from board-designated endowment pursuant to distribution policy	(51,403)	-	(51,403)
<b>Endowment net assets - End of year</b>	<b>\$ 1,058,870</b>	<b>\$ 11,187,168</b>	<b>\$ 12,246,038</b>
Endowment Net Asset Composition by Type of Fund as of December 31, 2021 (Restated)			
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 1,316,879	\$ -	\$ 1,316,879
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	8,641,882	8,641,882
Accumulated investment gains	-	5,271,199	5,271,199
<b>Total</b>	<b>\$ 1,316,879</b>	<b>\$ 13,913,081</b>	<b>\$ 15,229,960</b>

December 31, 2022 and 2021

**Note 7 - Donor-restricted and Board-designated Endowments (Continued)**

	Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2021 (Restated)		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	\$ 1,213,440	\$ 12,820,230	\$ 14,033,670
Investment return - Net	151,935	1,605,218	1,757,153
Appropriation of endowment assets for expenditure	-	(512,367)	(512,367)
Other changes - Distribution from board-designated endowment pursuant to distribution policy	(48,496)	-	(48,496)
Endowment net assets - End of year	<u>\$ 1,316,879</u>	<u>\$ 13,913,081</u>	<u>\$ 15,229,960</u>

***Return Objectives and Risk Parameters***

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period, as well as board-designated funds. Under this policy, as approved by the board of directors, the endowment assets are expected to outperform a custom benchmark (the "Allocation Index") consisting of the appropriate indices of each asset class and their proportional weighting in the portfolio. The Allocation Index is constructed by selecting appropriate indices (e.g., S&P 500, Russell 2000, MSCI EAFE, etc.) and assigning beginning of the quarter weighting by asset class. The total return of the invested assets is expected to exceed the total return of the Allocation Index. Actual returns in any given year may vary from this amount.

***Strategies Employed for Achieving Objectives***

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

***Spending Policy and How the Investment Objectives Relate to Spending Policy***

The Foundation has an endowment distribution policy that determines a maximum spending rate of 4.5 percent applied to a rolling four-year average of the fair value of endowment investments. In establishing this policy, the Foundation considered the long-term expected rate of return on its endowment. Accordingly, the long-term goal is to achieve a rate of growth sufficient to meet the Foundation's spending needs while maintaining the inflation-adjusted principal of the endowment funds. If actual earnings for any year are less than the current year spending rule, the deficiency is drawn from prior years' amounts that have accumulated but not been spent.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no underwater endowments as of December 31, 2022 and 2021.

December 31, 2022 and 2021

**Note 8 - Special Events**

The Foundation holds one significant fundraising event - an annual dinner at which the Carl Sandburg Literary Award pays tribute to a writer whose work has helped enhance the public's awareness of the written word and reflects the Foundation's and the Chicago Public Library's commitment to the freedom of all people to read, learn, and discover. The following is a financial summary of that event:

	<u>2022</u>	<u>2021</u>
Contributions	\$ 1,930,190	\$ 1,497,217
Contributed nonfinancial assets	208,692	147,038
Less expenses, including costs of direct benefits to donors of \$90,000 (2022) and \$72,285 (2021)	<u>(680,398)</u>	<u>(447,509)</u>
Special event revenue - Net of expenses	<u>\$ 1,458,484</u>	<u>\$ 1,196,746</u>

Contributed nonfinancial assets consist of contributed goods and services by unrelated parties for the special event. The value of goods and services provided to the Foundation is determined based on the current rate for similar services.

**Note 9 - Contributed Nonfinancial Assets**

Contributed nonfinancial assets recognized by the Foundation within the statement of activities and changes in net assets consisted of the following for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Goods	\$ 81,638	\$ 58,475
Services	<u>143,123</u>	<u>31,509</u>
Total in-kind donations	<u>\$ 224,761</u>	<u>\$ 89,984</u>

Contributed goods are recorded at their estimated fair value at the date of donation based on the stated prices used for the sale of these products in a nondonation transaction. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. These donated goods are recorded as contributed income and as an in-kind expense included in program expenses and fundraising expenses.

Contributed services are recorded if they create or enhance a nonfinancial asset or are specialized skills that would be purchased if they were not donated. Contributed services consist of services for programs. The value of services provided to the Foundation is determined based on the estimated fair value based on current rate for similar services. These donated services are recorded as contributed income and as an in-kind expense included in program expenses.

**Note 10 - Leases**

The Foundation is obligated under an operating lease primarily for its office space, expiring on February 28, 2025. The lease agreement does not contain renewal language. The right-of-use asset and related lease liability have been calculated using a discount rate of 1.04 percent. Total rent expense under this lease was approximately \$93,000 for 2021.

December 31, 2022 and 2021

**Note 10 - Leases (Continued)**

Future minimum annual commitments under these operating leases are as follows:

Years Ending December 31	Amount
2023	\$ 96,446
2024	99,339
2025	<u>16,638</u>
Total	212,423
Less amount representing interest	<u>2,488</u>
Present value of net minimum lease payments	<u>\$ 209,935</u>

Expenses recognized under these leases consist of the following for the year ended December 31, 2022:

Operating lease cost	\$ 96,263
Other information:	
Operating cash flows from operating leases	\$ 93,637
Weighted-average remaining lease term - Operating leases	26 months
Weighted-average discount rate - Operating leases	1.0 %

**Note 11 - Retirement Plans**

The Foundation established a 403(b) defined contribution plan covering all employees working 30 hours or more a week to which it makes discretionary contributions. Contributions to the plan for the years ended December 31, 2022 and 2021 were \$88,635 and \$90,006, respectively.

**Note 12 - Liquidity and Availability of Resources**

The following reflects the Foundation's financial assets as of the December 31, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position:

	2022	2021 (Restated)
Cash and cash equivalents	\$ 4,238,711	\$ 5,150,448
Accounts and interest/dividends receivable	144,960	130,283
Pledges receivable	980,395	444,070
Investments	<u>28,119,175</u>	<u>33,399,081</u>
Financial assets - At year end	33,483,241	39,123,882
Less those unavailable for general expenditures within one year due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	2,748,678	2,498,732
Subject to appropriation and satisfaction of donor restrictions (less next year spending allocation)	1,957,059	4,676,711
Endowment funds	8,641,882	8,641,882
Board designations	<u>3,708,870</u>	<u>3,966,879</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 16,426,752</u>	<u>\$ 19,339,678</u>

December 31, 2022 and 2021

**Note 12 - Liquidity and Availability of Resources (Continued)**

It is the Foundation's practice to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. For 2022 and 2021, board-designated funds totaled approximately \$4,000,000. Although the Foundation does not intend to spend from its board-designated investments other than amounts appropriated for general expenditures as part of its annual budget approval and appropriations process, amounts from its board-designated investments could be made available, if necessary.

**Note 13 - Related Party Transactions**

Contributions from board members were approximately \$2,218,000 and \$1,454,000 for the years ended December 31, 2022 and 2021, respectively.

**Note 14 - Prior Period Restatement**

The accompanying financial statements for 2021 have been restated to properly present accumulated investment earnings for endowment investments. The following financial statement line items for fiscal year 2021 were affected by the change:

**Statement of Activities and Changes in Net Assets  
Year Ended December 31, 2021**

	As Originally Reported	As Restated	Effect of Change
Net assets with donor restrictions - Beginning of year	\$ 18,976,593	\$ 15,422,293	\$ (3,554,300)
Net assets without donor restrictions - Beginning of year	16,062,025	19,616,325	3,554,300
Change in net assets from nonoperating activities - With donor restrictions	2,380,954	1,092,851	(1,288,103)
Change in net assets from nonoperating activities - Without donor restrictions	246,366	1,534,469	1,288,103
Net assets with donor restrictions - End of year	21,254,216	16,411,813	(4,842,403)
Net assets without donor restrictions - End of year	17,717,319	22,559,722	4,842,403

**Statement of Financial Position  
December 31, 2021**

	As Originally Reported	As Restated	Effect of Change
Net assets without donor restrictions	\$ 17,717,319	\$ 22,559,722	\$ 4,842,403
Net assets with donor restrictions	21,254,216	16,411,813	(4,842,403)
Total net assets	<u>\$ 38,971,535</u>	<u>\$ 38,971,535</u>	<u>\$ -</u>

December 31, 2022 and 2021

**Note 14 - Prior Period Restatement (Continued)****Changes in Endowment Net Assets  
Year Ended December 31, 2021**

	As Originally Reported	As Restated	Effect of Change
Endowment net assets without donor restrictions - Beginning of year	\$ 1,547,973	\$ 1,213,440	\$ (334,533)
Endowment net assets with donor restrictions - Beginning of year	16,354,530	12,820,230	(3,534,300)
Investment return - Net - Without donor restrictions	658,358	151,935	(506,423)
Investment return - Net - With donor restrictions	3,201,933	1,605,218	(1,596,715)
Appropriation of endowment assets for expenditure - Without donor restrictions	(800,979)	(512,367)	288,612
Distribution from board-designated endowment pursuant to distribution policy	(431,182)	(48,496)	382,686
Endowment net assets without donor restrictions - End of year	1,775,149	1,316,879	(458,270)
Endowment net assets with donor restrictions - End of year	18,755,484	13,913,081	(4,842,403)

**Endowment Net Asset Composition by Type of Fund  
December 31, 2021**

	As Originally Reported	As Restated	Effect of Change
Board-designated endowment funds	\$ 1,775,149	\$ 1,316,879	\$ (458,270)
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	8,641,882	8,641,882	-
Accumulated investment gains	10,113,602	5,271,199	(4,842,403)
Total endowment net assets	<u>\$ 20,530,633</u>	<u>\$ 15,229,960</u>	<u>\$ (5,300,673)</u>

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## Supplemental Information

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## Independent Auditor's Report on Supplemental Information

To the Board of Directors  
Chicago Public Library Foundation

We have audited the financial statements of Chicago Public Library Foundation as of and for the year ended December 31, 2022 and have issued our report thereon dated June 13, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of changes in net assets with donor restrictions, purpose restrictions; changes in net assets with donor restrictions, perpetual in nature and net assets without donor restrictions designated by board; and allocation of 4.5% spending policy as designated by the board are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Plante & Moran, PLLC*

June 13, 2023



## Chicago Public Library Foundation

# Changes in Net Assets with Donor Restrictions, Purpose Restrictions

Year Ended December 31, 2022

	Balance January 1, 2022	Contributions and Pledges Received	Special Event Revenue	Contribution Write-off	Net Assets Released From Restrictions	Balance December 31, 2022
Closing the Academic Opportunity Gap	\$ 1,138,235	\$ 619,996	\$ -	\$ -	\$ 897,971	\$ 860,260
Activating Connection & Creativity for All	185,064	505,049	-	-	522,795	167,318
Bridging the Digital Divide	370,835	127,000	-	-	144,525	353,310
Branch Programs	492,201	95,017	-	-	106,800	480,418
Other Library Programs	73,784	300	650,000	-	35,325	688,759
Frazin Innovation Fund	143,613	-	-	-	-	143,613
General Support	95,000	25,000	5,000	-	70,000	55,000
Totals	<u>\$ 2,498,732</u>	<u>\$ 1,372,362</u>	<u>\$ 655,000</u>	<u>\$ -</u>	<u>\$ 1,777,416</u>	<u>\$ 2,748,678</u>

## Chicago Public Library Foundation

# Changes in Net Assets with Donor Restrictions, Perpetual in Nature and Net Assets without Donor Restrictions Designated by Board

Year Ended December 31, 2022

	Principal Balance at January 1, 2022	Contributions Received (Expended)	Principal Balance at December 31, 2022	Cumulative Available for Long-Term Investment *	Endowment Balance at December 31, 2022
<b>Net Assets With Donor Restrictions</b>					
<b>Perpetual in Nature (Endowment)</b>					
AON Corporation Fund	\$ 30,000	\$ -	\$ 30,000	\$ 8,836	\$ 38,836
Arthur Andersen Fund I	37,500	-	37,500	11,045	48,545
Arthur Andersen Fund II	37,500	-	37,500	11,045	48,545
Blum-Kovler Foundation Fund	1,000,000	-	1,000,000	294,529	1,294,529
City of Chicago Humanities Fund	138,920	-	138,920	40,916	179,836
CPLF Gala 1998	208,000	-	208,000	61,262	269,262
CPLF Sandburg Awards Dinner 2000	202,000	-	202,000	59,495	261,495
Arie & Ida Crown Memorial Fund	250,000	-	250,000	73,632	323,632
Gaylord & Dorothy Donnelley Foundation	100,000	-	100,000	29,453	129,453
First National Bank of Chicago	80,000	-	80,000	23,562	103,562
Friends of the Chicago Public Library	219,397	-	219,397	64,619	284,016
James S. Kemper Foundation Fund	75,000	-	75,000	22,090	97,090
Chauncey & Marion Deering McCormick Foundation	100,000	-	100,000	29,453	129,453
MacArthur Foundation Fund	1,250,000	-	1,250,000	368,161	1,618,161
NEH Challenge Grant	599,173	-	599,173	176,474	775,647
John Nuveen Fund	30,000	-	30,000	8,836	38,836
Albert Pick, Jr. Fund	750,000	-	750,000	220,897	970,897
Polk Bros. Foundation Fund	60,000	-	60,000	17,672	77,672
Prince Charitable Trusts Fund	150,000	-	150,000	44,179	194,179
Pritzker Foundation Fund I	1,000,000	-	1,000,000	294,529	1,294,529
Pritzker Foundation Fund II	1,000,000	-	1,000,000	294,529	1,294,529
Sagan/Hill Fund	20,000	-	20,000	5,891	25,891
Salomon Foundation Fund	50,000	-	50,000	14,726	64,726
Sears Family Literature Fund	150,000	-	150,000	44,179	194,179
WH Smith Fund	50,000	-	50,000	14,726	64,726
Stone Container Corporation Fund	30,000	-	30,000	8,836	38,836
United Airlines Fund	100,000	-	100,000	29,453	129,453
Madeline Block Willner Fund	50,000	-	50,000	14,726	64,726
Oprah Winfrey Fund	100,000	-	100,000	29,453	129,453
Laura Weber Bequest	774,392	-	774,392	228,081	1,002,473
Total net assets perpetual in nature	8,641,882	-	8,641,882	2,545,286	11,187,168
<b>Net Assets Without Donor Restrictions</b>					
<b>Designated by the Board</b>					
Friends of the Lincoln Park Branch Library	130,000	-	130,000	(26,539)	103,461
Gould Foundation	976,571	-	976,571	(199,360)	777,211
Jesse Jones Children's Charitable Remainder Trust	223,907	-	223,907	(45,709)	178,198
Total net assets designated by the Board	1,330,478	-	1,330,478	(271,608)	1,058,870
Total endowment funds	\$ 9,972,360	\$ -	\$ 9,972,360	\$ 2,273,678	\$ 12,246,038

\* Board policy is to designate for investment the cumulative excess of actual investment income earned over the 4.5% spending rate in order to preserve the value of the endowment funds.

## Chicago Public Library Foundation

# Allocation of 4.5% Spending Policy as Designated by the Board

Year Ended December 31, 2022

	General	For Books and/or Programs	Total Expendable
<b>Net Assets With Donor Restrictions (Endowment Restricted in Perpetuity)</b>			
AON Corporation Fund	\$ -	\$ 1,942	\$ 1,942
Arthur Andersen Fund I	-	2,433	2,433
Arthur Andersen Fund II	-	2,433	2,433
Blum-Kovler Foundation Fund	-	64,888	64,888
City of Chicago Humanities Fund	-	9,018	9,018
CPLF Gala 1998	-	13,327	13,327
CPLF Sandburg Awards Dinner 2000	10,136	1,177	11,313
Arie & Ida Crown Memorial Fund	-	16,215	16,215
Gaylord & Dorothy Donnelley Foundation	-	6,470	6,470
First National Bank of Chicago	-	5,191	5,191
Friends of the Library	-	13,593	13,593
James S. Kemper Foundation Fund	-	4,866	4,866
Chauncey & Marion Deering McCormick Foundation Fund	-	6,474	6,474
MacArthur Foundation Fund	81,131	-	81,131
NEH Challenge Grant	-	38,900	38,900
John Nuveen Fund	-	1,947	1,947
Albert Pick, Jr. Fund	-	48,646	48,646
Polk Bros. Foundation Fund	-	3,894	3,894
Prince Charitable Trusts Fund	-	9,735	9,735
Pritzker Foundation Fund I	62,845	-	62,845
Pritzker Foundation Fund II	52,629	-	52,629
Sagan/Hill Fund	1,284	-	1,284
Salomon Foundation Fund	-	3,245	3,245
Sears Family Literature Fund	-	9,611	9,611
WH Smith Fund	-	3,247	3,247
Stone Container Corporation Fund	-	1,946	1,946
United Airlines Fund	-	6,488	6,488
Madeline Block Willner Fund	-	3,245	3,245
Oprah Winfrey Fund	-	6,512	6,512
Laura Weber Bequest	-	49,617	49,617
	<u>208,025</u>	<u>335,060</u>	<u>543,085</u>
<b>Board-Designated Net Assets Without Donor Restriction</b>			
Friends of Lincoln Park Branch Library	-	4,730	4,730
Gould Foundation	-	37,591	37,591
Jesse O. Jones Children's Charitable Remainder Trust	-	9,082	9,082
	<u>-</u>	<u>51,403</u>	<u>51,403</u>
Total endowment income expendable	<u>\$ 208,025</u>	<u>\$ 386,463</u>	<u>\$ 594,488</u>
<b>Undesignated Net Assets Expendable</b>			<u>\$ 709,216</u>
Total Allocation of Net Assets Expendable			<u><u>\$ 1,303,704</u></u>