

**THE JOHN A. HARTFORD FOUNDATION**

**Financial Statements  
for the year ended  
December 31, 2024  
and  
December 31, 2023**

## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
The John A. Hartford Foundation

### *Opinion*

We have audited the accompanying financial statements of the John A. Hartford Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2024 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

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

### *Prior Year Financial Statements*

The Foundation's financial statements for the year ended December 31, 2023, were audited by other auditors whose report dated August 8, 2024 expressed an unmodified opinion on those financial statements.

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

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

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

## *Auditor's Responsibility 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 not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with Generally Accepted Auditing Standards (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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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.

*Carole Dilemma Sub City & Donnelly LLP*

June 25, 2025

**THE JOHN A. HARTFORD FOUNDATION, INC.**  
**Statement of Financial Position**

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
<b>Investments at fair value</b>		
(Notes 2, 3 and 4)		
Short-term cash investments	\$ 18,597,577	\$ 18,790,643
Fixed-income funds	127,111,038	107,976,900
Stock exchange traded and mutual funds	210,552,419	187,902,124
Commingled funds	198,465,076	200,790,109
Private equity funds	132,846,652	125,917,325
Private credit funds	32,904,948	32,655,098
Real estate pooled funds	<u>53,480</u>	<u>51,288</u>
<b>Total investments</b>	<u>720,531,190</u>	<u>674,083,487</u>
Interest and dividends receivable	76,720	119,949
Prepayments and deposits	114,502	119,706
Prepaid taxes	<u>-</u>	<u>70,257</u>
	<u>191,222</u>	<u>309,912</u>
Office condominium, furniture, fixtures and equipment (net of accumulated depreciation of \$5,170,348 in 2024 and \$5,102,583 in 2023) Note 5	<u>427,163</u>	<u>285,812</u>
<b>Total assets</b>	<b><u>\$ 721,149,575</u></b>	<b><u>\$ 674,679,211</u></b>
<b>Liabilities and Net assets</b>		
<b>Liabilities</b>		
Grants payable (Note 2)		
Current	\$ 13,630,807	\$ 17,715,678
Noncurrent (Note 7)	15,500,159	20,455,021
Accounts payable	542,384	553,858
Accrued vacation pay	247,918	236,920
Federal excise tax payable	29,115	-
Deferred federal excise tax (Note 2)	<u>3,956,087</u>	<u>3,320,205</u>
<b>Total liabilities</b>	<u>33,906,470</u>	<u>42,281,682</u>
<b>Net assets</b>		
Without donor restriction	<u>687,243,105</u>	<u>632,397,529</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 721,149,575</u></b>	<b><u>\$ 674,679,211</u></b>

See notes to financial statements.

**THE JOHN A. HARTFORD FOUNDATION, INC.**  
**Statement of Activities**

	<b>Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>		
<b>Investment and program revenue</b>		
Net investment revenue (Note 8)	\$ 79,791,284	\$ 87,580,085
Excise and unrelated business income taxes	(469,372)	(183,450)
Deferred federal tax expense	(635,882)	(1,030,504)
Net investment revenue after taxes	78,686,030	86,366,131
Program revenue	2,298	23,700
Total investment and program revenue	78,688,328	86,389,831
<b>Expenses (Note 2)</b>		
Grants and foundation-administered projects	18,255,125	30,208,782
Program administration	2,839,917	2,687,644
Total program	21,095,042	32,896,426
Management and general	2,445,475	2,189,582
Investment oversight	302,235	268,661
Total expenses	23,842,752	35,354,669
<b>Total change in net assets from operating activities</b>	<b>54,845,576</b>	<b>51,035,162</b>
<b>Net assets, beginning of year</b>	<b>632,397,529</b>	<b>581,362,367</b>
<b>Net assets, end of year</b>	<b>\$ 687,243,105</b>	<b>\$632,397,529</b>

See notes to financial statements.

**THE JOHN A. HARTFORD FOUNDATION, INC.**  
**Statement of Cash Flows**  
**Year Ended December 31, 2024 and 2023**

	<b>Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities</b>		
Interest and dividends received	\$ 9,467,352	\$ 8,709,559
Cash distributions from private funds	20,962,323	5,889,935
Program income	2,298	23,700
Grants and foundation-administered projects, net of refunds	(26,602,843)	(25,103,324)
Expenses and taxes paid	(9,534,930)	(8,258,850)
Net cash used in operating activities	(5,705,800)	(18,738,980)
<b>Cash flows from investing activities</b>		
Purchases of furniture, fixtures and equipment	(209,116)	(89,670)
Proceeds from sale of investments	89,907,749	130,085,070
Purchase of investments	(84,185,899)	(108,628,369)
Net cash provided by investing activities	5,512,734	21,367,031
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(193,066)</b>	<b>2,628,051</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>18,790,643</b>	<b>16,162,592</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 18,597,577</b>	<b>\$ 18,790,643</b>
<b>Supplemental disclosure</b>		
Excise and unrelated business income taxes paid	\$ 370,000	\$ 240,000

See notes to financial statements.

**THE JOHN A. HARTFORD FOUNDATION, INC.**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2024 and 2023**

	<b>2024</b>					
	<b>Grants and Foundation Administered Project</b>	<b>Program Administration</b>	<b>Total Program</b>	<b>Management and General</b>	<b>Investment Oversight</b>	<b>Total</b>
Grants	\$ 15,250,928	\$ -	\$ 15,250,928	\$ -	\$ -	\$ 15,250,928
Salaries and benefits	588,694	2,056,359	2,645,053	1,674,507	173,607	4,493,167
Travel	6,216	214,164	220,380	23,642	-	244,022
Meetings	100,687	-	100,687	-	-	100,687
Occupancy	33,634	104,015	137,649	78,977	7,599	224,225
Professional services	2,227,735	172,872	2,400,607	323,140	22,500	2,746,247
Trustee fees and Board costs	-	146,442	146,442	234,305	87,864	468,611
Office expenses	18,933	58,551	77,484	44,456	4,271	126,211
Technology	18,133	56,079	74,212	42,580	4,097	120,889
Depreciation	10,165	31,435	41,600	23,868	2,297	67,765
<b>Total</b>	<b><u>\$ 18,255,125</u></b>	<b><u>\$ 2,839,917</u></b>	<b><u>\$ 21,095,042</u></b>	<b><u>\$ 2,445,475</u></b>	<b><u>\$ 302,235</u></b>	<b><u>\$ 23,842,752</u></b>

	<b>2023</b>					
	<b>Grants and Foundation Administered Project</b>	<b>Program Administration</b>	<b>Total Program</b>	<b>Management and General</b>	<b>Investment Oversight</b>	<b>Total</b>
Grants	\$ 28,148,342	\$ -	\$ 28,148,342	\$ -	\$ -	\$ 28,148,342
Salaries and benefits	546,951	2,011,280	2,558,231	1,609,868	166,750	4,334,849
Travel	13,579	226,227	239,806	24,609	-	264,415
Meetings	100,000	-	100,000	-	-	100,000
Occupancy	33,458	100,972	134,430	73,369	7,289	215,088
Professional services	1,320,543	105,419	1,425,962	212,744	21,500	1,660,206
Trustee fees and Board costs	-	105,201	105,201	168,322	63,121	336,644
Office expenses	19,145	57,776	76,921	41,981	4,171	123,073
Technology	16,756	50,568	67,324	36,744	3,650	107,718
Depreciation	10,008	30,201	40,209	21,945	2,180	64,334
<b>Total</b>	<b><u>\$ 30,208,782</u></b>	<b><u>\$ 2,687,644</u></b>	<b><u>\$ 32,896,426</u></b>	<b><u>\$ 2,189,582</u></b>	<b><u>\$ 268,661</u></b>	<b><u>\$ 35,354,669</u></b>

# THE JOHN A. HARTFORD FOUNDATION, INC.

## Notes to Financial Statements December 31, 2024 and December 31, 2023

### **Note 1 – Purpose of Foundation**

The John A. Hartford Foundation was established in 1929 and originally funded with bequests from its founder, John A. Hartford and his brother, George L. Hartford. The Foundation supports efforts to improve the care of older adults through grants and Foundation-administered projects. The Foundation's primary source of revenue is from investment earnings.

### **Note 2 – Summary of Significant Accounting Policies**

#### Method of Accounting

The Foundation's financial statements are prepared, on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The significant accounting policies are set forth below:

#### Basis of presentation

Net assets are recorded based on donor-imposed restrictions or lack thereof.

*Net Assets without Donor Restrictions* – These assets are free from donor restriction and can be used to carry out the programs of the Foundation in accordance with its bylaws.

*Net Assets with Donor Restrictions* – These assets are either restricted for a specific purpose, or a future time period or to be invested in perpetuity. At December 31, 2024 and 2023, the Foundation does not have any net assets with donor restrictions.

#### Investments

Investments in marketable securities are valued at their fair value (quoted market price). Commingled funds, private equity and credit funds and real estate pooled funds are valued at their fair value as reported by the fund manager. Because of the inherent uncertainty of valuation, estimated values may differ significantly from the values that would have been used had a ready market for the entities existed. Realized gains and losses from the sale of marketable securities are recorded by comparison of proceeds to cost determined under the specific identification method. Dividends from securities are recorded on the ex-dividend date.

**THE JOHN A. HARTFORD FOUNDATION, INC.**

**Notes to Financial Statements (continued)  
December 31, 2024 and December 31, 2023**

**Note 2 – Summary of Significant Accounting Policies (continued)**

Grants

The liability for grants payable is recognized when specific unconditional grants are authorized by the Board of Trustees and the recipients have been notified. If grantees are required to satisfy certain conditions of the grant, the liability is not recorded until the conditions have been met. Annually the Foundation reviews its estimated grant payments schedule and discounts the non-current grants payable to present value using the benchmark interest rate as quoted in the Wall Street Journal at December 31 to reflect the time value of money. The amount of the discount and conditional grants approved is then recorded as designated net assets.

Definition of cash

For purposes of the statements of cash flows, the Foundation defines cash and equivalents as cash and short-term cash investments. Short-term cash investments are comprised of cash in custody accounts, money market mutual funds and net cash pending settlement.

Tax status

The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as a “private foundation.” The Foundation is subject to an excise tax on net investment income at the rate of 1.39%.

Deferred Federal excise taxes payable are also recorded on the unrealized appreciation of investments using the 1.39% excise tax rate.

The Foundation intends to distribute at least \$31,500,000 of undistributed income in grants or qualifying expenditures by December 31, 2025, to comply with Internal Revenue Service regulations.

One of the Foundation’s real estate pooled funds has underlying investments which generate unrelated business taxable income (“UBIT”). This income is subject to Federal and state income taxes at “for-profit” corporate income tax rates. In 2024 and 2023, this fund reported a small UBIT loss.

Property and equipment

The Foundation’s office condominium, furniture, fixtures and equipment are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets (office condominium-20 years; office furniture and fixtures-5 years).

THE JOHN A. HARTFORD FOUNDATION, INC.

Notes to Financial Statements (continued)  
December 31, 2024 and December 31, 2023

**Note 2 – Summary of Significant Accounting Policies (continued)**

Allocation of expenses

The financial statements report categories of expenses that are attributable to program and supporting services. These expenses include salaries and benefits, professional services, occupancy, office and technology and travel. Salaries and benefits are allocated based on estimates of time spent, occupancy, office and technology expenses are allocated based on the number of full-time employees and the remaining expenses are based on estimates of the program or supporting service benefited.

**Note 3 – Net cash pending settlement**

Receivables and payables on security sales and purchases pending settlement at December 31, 2024 and December 31, 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Proceeds from sales	\$ 1,766,235	\$ 58,853
Subscription paid in advance	<u>4,506,716</u>	<u>-</u>
Net cash pending settlement	<u>\$ 6,272,951</u>	<u>\$ 58,853</u>

Net cash pending settlement is reported as part of short-term cash investments.

**Note 4 – Fair value of investments**

The Foundation follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based on input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

**Net Asset Value (NAV) Investments – Practical Expedient**

The Foundation applies the “practical expedient” under U.S. GAAP to determine the fair value of certain investments measured using net asset value (NAV). This method is permitted for investments that:(a) lack a readily determinable fair value based on a public market, and (b) either have the characteristics of an investment company or prepare financial statements in accordance with investment company accounting principles.

**THE JOHN A. HARTFORD FOUNDATION, INC.**

**Notes to Financial Statements (continued)  
December 31, 2024 and December 31, 2023**

**Note 4 – Fair value of investments (continued)**

**Net Asset Value (NAV) Investments – Practical Expedient (continued)**

NAV investments are reported at fair value, generally representing the Foundation’s proportionate share of the net assets as reported by the underlying investment managers or general partners. Fair value is adjusted for additional contributions, distributions, and the Foundation’s share of net earnings or losses.

The Foundation believes the carrying amounts of these investments are reasonable estimates of fair value as of December 31, 2024 and 2023. Because these investments are not publicly traded, their estimated values are subject to uncertainty, and actual results could differ materially.

The Foundation’s investments are categorized as follows:

	2024		
	Level 1	Valued at NAV	Total
Short-term cash investments	\$ 18,597,577	\$ -	\$ 18,597,577
Fixed-income funds	127,111,038		127,111,038
Stocks, exchange traded and mutual funds			
Exchange traded and mutual funds			
U.S. equities	142,803,069		142,803,069
Non-U.S. equities	22,703,595		22,703,595
Industrial	5,756,530		5,756,530
Consumer discretionary	6,339,244		6,339,244
Financials	7,394,137		7,394,137
Other	25,555,844		25,555,844
Commingled funds			
Global and international-long only		80,159,080	80,159,080
U.S. long only		26,203,728	26,203,728
Equity – long/short		20,924,706	20,924,706
Event-driven		23,741,769	23,741,769
Relative value		22,996,041	22,996,041
Tactical trading		24,439,752	24,439,752
Private equity funds		132,846,652	132,846,652
Private credit funds		32,904,948	32,904,948
Real estate pooled funds		53,480	53,480
Total	<u>\$356,261,034</u>	<u>\$364,270,156</u>	<u>\$720,531,190</u>

**THE JOHN A. HARTFORD FOUNDATION, INC.**

**Notes to Financial Statements (continued)  
December 31, 2024 and December 31, 2023**

**Note 4 – Fair value of investments (continued)**

	2023		
	Level 1	Valued at NAV	Total
Short-term cash investments	\$ 18,790,643	\$ -	\$ 18,790,643
Fixed-income funds	107,976,900		107,976,900
Stocks, exchange traded and mutual funds			
Exchange traded and mutual funds			
U.S. equities	113,757,169		113,757,169
Non-U.S. equities	22,345,764		22,345,764
Industrial	8,747,334		8,747,334
Consumer discretionary	7,359,653		7,359,653
Financials	7,156,383		7,156,383
Other	28,535,821		28,535,821
Commingled funds			
Global and international-long only		\$ 74,098,424	\$ 74,098,424
U.S. long only		38,167,838	38,167,838
Equity – long/short		20,506,532	20,506,532
Event-driven		21,479,237	21,479,237
Relative value		24,086,872	24,086,872
Tactical trading		22,451,206	22,451,206
Private equity funds		125,917,325	125,917,325
Private credit funds		32,655,098	32,655,098
Real estate pooled funds		51,288	51,288
Total	<u>\$314,669,667</u>	<u>\$359,413,820</u>	<u>\$ 674,083,487</u>

**THE JOHN A. HARTFORD FOUNDATION, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2024 and December 31, 2023**

**Note 4 – Fair value of investments (continued)**

At December 31, 2024 and 2023, commingled funds valued at NAV consist of the following:

Strategy	2024			2023	
	<u># of Funds</u>	<u>Liquidity</u>	<u>Fair Value</u>	<u># of Funds</u>	<u>Fair Value</u>
Global and international – long only	1	Weekly	\$ 19,640,662	1	\$ 17,040,131
	3	Monthly	60,518,418	3	57,058,293
			<u>80,159,080</u>		<u>74,098,424</u>
U.S. long only	1	Monthly	<u>26,203,728</u>	2	<u>38,167,838</u>
Equity – long/short	1	Monthly	12,752,359	1	11,468,554
	1	Quarterly	7,997,594	1	6,500,218
	1	Semi-Annual	174,753	1	2,537,760
			<u>20,924,706</u>		<u>20,506,532</u>
Tactical trading	2	Monthly	8,057,486	2	10,396,352
	1	Quarterly	16,382,266	1	12,054,854
			<u>24,439,752</u>		<u>22,451,206</u>
Event driven	2	Quarterly	14,755,806	3	13,519,854
	1	Annual	8,985,963	1	7,959,383
			<u>23,741,769</u>		<u>21,479,237</u>
Relative value	1	Bi-monthly	4,931,011	-	-
	1	Monthly	7,925,203	2	15,154,680
	1	Quarterly	10,139,827	1	8,932,192
			<u>22,996,041</u>		<u>24,086,872</u>
		<u>\$ 198,465,076</u>		<u>\$ 200,790,109</u>	

Notice requirements for withdrawals range from 5 to 90 days.

At December 31, 2024, the Foundation has fourteen illiquid private equity funds. One is a partnership with a value of \$1,669,023 and has a remaining capital commitment of \$8,742. Its extended term expired in 2021 but the fund will not be terminated until the underlying assets have been liquidated. Thirteen are offshore funds and are valued at approximately \$131,200,000 with terms expiring from 2027 through 2039 and have remaining capital commitments of approximately \$89,000,000.

The Foundation also has three private credit funds that are valued at approximately \$32,900,000 and have remaining capital commitments of approximately \$25,000,000. Their terms expire between 2033 and 2036.

Real estate investments include two funds valued at \$53,483 at December 31, 2024. There are no additional capital commitments for these funds and they are in the process of liquidating.

**THE JOHN A. HARTFORD FOUNDATION, INC.**

**Notes to Financial Statements (continued)  
December 31, 2024 and December 31, 2023**

**Note 5 – Office condominium, furniture, fixtures and equipment**

At December 31, 2024 and December 31, 2023, the fixed assets of the Foundation were as follows:

	2024	2023
Office condominium	\$ 4,853,445	\$ 4,644,329
Furniture, fixtures and equipment	744,066	744,066
	5,597,511	5,388,395
Less: accumulated depreciation	(5,170,348)	(5,102,583)
Office condominium, furniture, fixtures and equipment	\$ 427,163	\$ 285,812

**Note 6 – Retirement Plan**

The Foundation has a defined contribution retirement plan covering all eligible employees under which the Foundation contributes 14% of the salary for employees. Retirement expense under the plan for 2024 and 2023 amounted to \$389,544 and \$378,431, respectively.

**Note 7 – Grants payable**

The Foundation estimates that grants payable as of December 31, 2024 will be disbursed as follows:

	2024	2023
2024	\$ -	\$ 17,415,678
2025	13,630,807	17,456,051
2026	10,776,827	3,969,805
2027	5,617,507	1,653,224
	30,025,141	40,494,758
Discount to present value	(894,175)	(2,324,059)
	\$ 29,130,966	\$ 38,170,699

The amount of the discount to present value is calculated using the prime rate for 2023 and the 3-year Treasury note for 2024, as quoted in the Wall Street Journal. The prime rate for 2023 was 8.5%, and the 3-year Treasury rate for 2024 was 4.3%.

**THE JOHN A. HARTFORD FOUNDATION, INC.**

**Notes to Financial Statements (continued)  
December 31, 2024 and December 31, 2023**

**Note 8 – Investment revenue (loss)**

The details of net investment revenue are as follows:

	2024	2023
Short-term investment earnings	\$ 834,530	\$ 944,325
Dividends, interest and partnership earnings	8,547,829	7,715,856
Net realized capital gains	27,619,803	6,919,377
Net change in unrealized appreciation	<u>45,746,899</u>	<u>74,136,977</u>
	82,749,061	89,716,535
Direct investment expenses	<u>(2,957,777)</u>	<u>(2,136,450)</u>
Net investment revenue before taxes	79,791,284	87,580,085
Excise and unrelated business income taxes	(469,372)	(183,450)
Deferred federal excise tax on unrealized appreciation	<u>(635,882)</u>	<u>(1,030,504)</u>
Net investment revenue after taxes	<u>\$78,686,030</u>	<u>\$86,366,131</u>

**Note 9 – Other investment fees**

Investments fees charged by certain investments such as exchange traded funds, mutual funds and offshore funds are directly deducted from the respective fund's capital balance. Accordingly, investment fees paid by these funds are not directly reported in the Foundation's financial statements. The approximate amounts of these fees were \$5,200,000 in 2024 and \$4,800,000 in 2023, respectively.

**Note 10 – Liquidity and availability of financial assets**

The Foundation's financial assets and resources available to meet cash needs for general expenditures and capital commitments within one year of the date of the statement of financial position were as follows:

	2024	2023
Financial Assets		
Investments	\$ 720,531,190	\$ 674,083,487
Interest and dividends receivable	<u>76,720</u>	<u>119,949</u>
	720,607,910	674,203,436
Less: Illiquid investments	<u>(165,805,080)</u>	<u>(158,623,711)</u>
Financial assets available to meet general expenditures and capital commitments over the next twelve months	<u>\$ 554,802,830</u>	<u>\$ 515,579,725</u>

Annually, the Board approves a spending policy based on a three-year average of its investments unless the spending number derived from this method does not meet the IRS minimum payout.

**THE JOHN A. HARTFORD FOUNDATION, INC.**

**Notes to Financial Statements (continued)  
December 31, 2024 and December 31, 2023**

**Note 11 – Subsequent events**

In connection with the preparation of the financial statements, the Foundation evaluated subsequent events after the statement of financial position date of December 31, 2024 through June 25, 2025, which was the date the financial statements were available to be issued. The Foundation did not have any material recognizable subsequent events during this period.

**Note 12 – Uncertain tax positions**

The Foundation has not entered into any uncertain tax positions that would require financial statement recognition. It is no longer subject to audits by the applicable taxing jurisdictions prior to periods ending December 31, 2021.