

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2023 AND 2022**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Community Foundation of the Virgin Islands, Inc.  
St. Thomas, U.S. Virgin Islands

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

#### ***Opinion***

We have audited the accompanying financial statements of Community Foundation of the Virgin Islands, Inc. (the Foundation), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Foundation of the Virgin Islands, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined 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 opinions.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 combined financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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


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

**Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2024, on our consideration of Community Foundation of the Virgin Islands, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of Community Foundation of the Virgin Islands, Inc.'s internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Foundation of the Virgin Islands, Inc.'s internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Naples, Florida  
November 8, 2024

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2023 AND 2022**

	2023	2022
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,133,715	\$ 2,369,185
Investments	14,077,652	12,506,499
Unconditional Promises to Give	44,055	38,055
Prepaid Expenses and Other Assets	6,695	9,709
Total Assets	\$ 15,262,117	\$ 14,923,448
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 20,884	\$ 47,020
Accrued Expenses	493	2,141
Refundable Advances	109,883	-
Total Liabilities	131,260	49,161
<b>NET ASSETS</b>		
Without Donor Restrictions:	8,231,996	\$ 7,850,190
With Donor Restrictions	6,898,861	7,024,097
Total Net Assets	15,130,857	14,874,287
Total Liabilities and Net Assets	\$ 15,262,117	\$ 14,923,448

See accompanying Notes to Financial Statements.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE, SUPPORT, AND GAINS</b>			
Grants and Contributions	\$ 757,662	\$ 2,103,835	\$ 2,861,497
Investment Income, Net	<u>1,050,720</u>	<u>448,261</u>	<u>1,498,981</u>
Subtotal	1,808,382	2,552,096	4,360,478
Net Assets Released from Restrictions	<u>2,677,332</u>	<u>(2,677,332)</u>	<u>-</u>
Total Revenue, Support, and Gains	4,485,714	(125,236)	4,360,478
<b>FUNCTIONAL EXPENSES</b>			
Program Services Expense:			
Education	386,636	-	386,636
Community	723,786	-	723,786
Children, Youth, and Families	313,200	-	313,200
Early Childhood	60,804	-	60,804
Health and Human Services	1,250,986	-	1,250,986
Humanities	503,421	-	503,421
Disaster Recovery Assistance	72,498	-	72,498
Environmental	<u>156,808</u>	<u>-</u>	<u>156,808</u>
Total Program Expenses	3,468,139	-	3,468,139
Supporting Services Expense:			
Management and General	506,269	-	506,269
Fundraising	<u>129,500</u>	<u>-</u>	<u>129,500</u>
Total Supporting Services Expenses	<u>635,769</u>	<u>-</u>	<u>635,769</u>
Total Functional Expenses	<u>4,103,908</u>	<u>-</u>	<u>4,103,908</u>
<b>CHANGE IN NET ASSETS</b>	381,806	(125,236)	256,570
Net Assets - Beginning of Year	<u>7,850,190</u>	<u>7,024,097</u>	<u>14,874,287</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 8,231,996</u>	<u>\$ 6,898,861</u>	<u>\$ 15,130,857</u>

See accompanying Notes to Financial Statements.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE, SUPPORT, AND GAINS</b>			
Grants and Contributions	\$ 1,633,583	\$ 1,460,433	\$ 3,094,016
Investment Income, Net	<u>(1,794,188)</u>	<u>(903,350)</u>	<u>(2,697,538)</u>
Subtotal	(160,605)	557,083	396,478
Net Assets Released from Restrictions	<u>2,148,312</u>	<u>(2,148,312)</u>	-
Total Revenue, Support, and Gains	1,987,707	(1,591,229)	396,478
<b>FUNCTIONAL EXPENSES</b>			
Program Services Expense:			
Education	406,092	-	406,092
Community	989,524	-	989,524
Children, Youth, and Families	454,574	-	454,574
Early Childhood	27,268	-	27,268
Health and Human Services	813,223	-	813,223
Disaster Recovery Assistance	66,264	-	66,264
Environmental	112,157	-	112,157
Total Program Expenses	<u>2,869,102</u>	-	<u>2,869,102</u>
Supporting Services Expense:			
Management and General	583,542	-	583,542
Fundraising	<u>129,546</u>	-	<u>129,546</u>
Total Supporting Services Expenses	<u>713,088</u>	-	<u>713,088</u>
Total Functional Expenses	<u>3,582,190</u>	-	<u>3,582,190</u>
<b>CHANGE IN NET ASSETS</b>	(1,594,483)	(1,591,229)	(3,185,712)
Net Assets - Beginning of Year	<u>9,444,673</u>	<u>8,615,326</u>	<u>18,059,999</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 7,850,190</u>	<u>\$ 7,024,097</u>	<u>\$ 14,874,287</u>

See accompanying Notes to Financial Statements.



**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2023**

	Program Services									CFVI Capacity	Management and General	Fundraising Expenses	Total Supporting Services	Total Expenses
	Education	Community	Children, Youth, and Families	Early Childhood	Health and Human Services	Humanities	Recovery Assistance	Environmental	Total Program Services					
Grants, Awards, and Scholarships	\$ 287,300	\$ 452,056	\$ 230,693	\$ 2,240	\$ 1,042,525	\$ 434,515	\$ 17,411	\$ 113,619	\$ 2,580,359	\$ 48,530	\$ -	\$ -	\$ 48,530	\$ 2,628,889
Community Initiatives	5,458	42,544	2,810	33,005	116,502	600	536	1,040	202,495	-	-	-	-	202,495
Salaries, Payroll Taxes, and Fringe Benefits	78,713	82,856	37,285	20,714	45,571	29,000	24,857	24,857	343,853	-	277,567	41,428	318,995	662,848
Conferences, Workshops, and Meetings	11,226	12,564	-	1,708	-	3,369	-	-	28,867	-	10,535	63,830	74,365	103,232
Technical Assistance	200	79,090	-	2,051	29,853	300	11,339	14,310	137,143	-	48,885	-	48,885	186,028
Occupancy, Office, and IT Expense	2,935	20,213	39,652	772	1,699	1,081	18,355	927	85,634	-	107,372	1,545	108,917	194,551
Other	804	34,463	2,760	314	14,836	34,556	-	2,055	89,788	5,000	8,380	22,697	36,076	125,864
<b>Total Expenses by Function</b>	<b>\$ 386,636</b>	<b>\$ 723,786</b>	<b>\$ 313,200</b>	<b>\$ 60,804</b>	<b>\$ 1,250,986</b>	<b>\$ 503,421</b>	<b>\$ 72,498</b>	<b>\$ 156,808</b>	<b>\$ 3,468,139</b>	<b>\$ 53,530</b>	<b>\$ 452,739</b>	<b>\$ 129,500</b>	<b>\$ 635,768</b>	<b>\$ 4,103,907</b>

See accompanying Notes to Financial Statements.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2022**

	Program Services							Total Program Services	CFVI Capacity	Management and General	Fundraising Expenses	Total Supporting Services	Total Expenses
	Education	Community	Children, Youth, and Families	Early Childhood	Health and Human Services	Recovery Assistance	Environmental						
Grants, Awards, and Scholarships	\$ 287,911	\$ 609,804	\$ 403,683	\$ 10,000	\$ 747,655	\$ 20,000	\$ 81,684	\$ 2,160,737	\$ 48,220	\$ 250	\$ 10	\$ 48,480	\$ 2,209,217
Community Initiatives	38,837	173,131	-	2,872	4,304	-	1,029	220,173	-	-	-	-	220,173
Salaries, Payroll Taxes, and Fringe Benefits	76,203	94,133	49,308	13,448	44,825	44,825	22,413	345,155	-	304,812	67,238	372,050	717,205
Conferences, Conventions, and Meetings	-	10,757	-	516	-	-	-	11,273	-	6,677	-	6,677	17,950
Professional Services	-	82,038	-	-	15,000	-	5,954	102,992	-	41,670	-	41,760	144,752
Occupancy, Office, and Technical Expense	2,446	19,250	1,583	432	1,439	1,439	719	27,308	-	81,802	2,158	83,960	111,268
Other	695	411	-	-	-	-	358	1,464	55,887	44,134	60,140	160,161	161,625
<b>Total Expenses by Function</b>	<b>\$ 406,092</b>	<b>\$ 989,524</b>	<b>\$ 454,574</b>	<b>\$ 27,268</b>	<b>\$ 813,223</b>	<b>\$ 66,264</b>	<b>\$ 112,157</b>	<b>\$ 2,869,102</b>	<b>\$ 104,107</b>	<b>\$ 479,345</b>	<b>\$ 129,546</b>	<b>\$ 713,088</b>	<b>\$ 3,582,190</b>

See accompanying Notes to Financial Statements.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 256,570	\$ (3,185,712)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Donated Securities	-	(562,613)
(Gain) Loss on Sale of Investments	277,392	(631,174)
Net Depreciation (Appreciation) in Fair Value of Investments	(1,426,877)	3,813,341
(Increase) Decrease in:		
Unconditional Promises to Give	(6,000)	(36,000)
Prepaid Expenses	3,014	(5,655)
Increase (Decrease) in:		
Deferred Revenue	109,883	-
Accounts Payable and Other Liabilities	(27,784)	514
Net Cash Used by Operating Activities	(813,802)	(607,299)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Investments	2,193,075	7,869,023
Purchase of Investments	(2,614,742)	(8,159,896)
Net Cash Used by Investing Activities	(421,667)	(290,873)
 <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,235,469)	(898,172)
 Cash and Cash Equivalents - Beginning of Year	2,369,185	3,267,357
 <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 1,133,715	\$ 2,369,185

See accompanying Notes to Financial Statements.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 1 ORGANIZATION**

Community Foundation of the Virgin Islands, Inc. (the Foundation) is a tax exempt publicly supported charitable foundation. The assets of the Foundation are devoted to charitable uses of a public nature benefiting primarily the residents of the U.S. Virgin Islands (USVI). The Foundation's principal source of revenue is charitable contributions. The Foundation's work focuses on services embracing:

*Education* – Educational program services provide scholarships to students demonstrating academic excellence and financial need and support a range of projects and programs which enhance and support academic success, schools, educators, and education enrichment.

*Community* – Community program services support territorial not-for-profits and initiatives engaged principally in improving the lives of residents of the USVI and provide capacity support in areas such as financial management, fund raising, board development and communications.

*Children, Youth and Families* – Under this program service function, the Foundation supports a range of inhouse programs as well as community-initiated projects aimed at enhancing the lives of children and families. Projects and programs supported endeavor to provide data to advocate on behalf of children, youth and families on the islands of St. Thomas, St. Croix, and St. John, support initiatives to foster the family unit, provide grants in time of crisis, and engage the youth of the USVI in volunteerism.

*Early Childhood* – The Foundation's early childhood programs direct efforts to strengthen the quality of early childhood care and enrichment experiences for young children in the USVI.

*Environmental* – The Foundation's assistance in meeting the challenges of protecting, conserving, and sustainably managing small island environments and eco-systems.

*Health and Human Services* – The Foundation's program services in this field provide support for health-related needs of Virgin Islanders, including financial assistance for medical care to residents with cancer and other life-threatening illnesses, as well as financial support for vulnerable USVI residents and families.

*CFVI Capacity* – Support provided by donors from named funds at the Foundation to support the Foundation's overall operations, capacity, and building programs in the community.

*Recovery Assistance* – Recovery assistance program services provide assistance to Virgin Islanders impacted by natural disasters to support efforts to build forward as needs arise in the aftermath of natural disasters.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 1 ORGANIZATION (CONTINUED)**

*Humanities* - Program services support a commitment to enhancing cultural, historical, and educational initiatives in the USVI through National Endowment for the Humanities (NEH) sub-grants. Grants and programs support organizations engaged in preserving and promoting the humanities within the territory, with a focus on education, historical preservation, cultural programming, and community engagement, providing financial support to non-profit organizations, libraries, museums and institutions engaged in humanities-related activities in the USVI.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accounts of the Foundation are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting. Accordingly, assets are recorded when the Foundation obtains the rights of ownership or is entitled to claims for receipt and liabilities are recorded when the obligation is incurred.

**Basis of Presentation**

Net assets and revenues, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net Assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed purpose restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restriction unless their use is restricted by explicit donor stipulation or by law.

**Accounting Estimates**

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statements of financial position, and revenue and expenses for the period. Actual results could differ from those estimates.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

The Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents for purposes of the statements of cash flows. The Foundation maintains bank accounts with balances which, at times, may exceed federally insured limits. Per FDIC, all deposit accounts, including checking and savings accounts, money market deposit account and certificates of deposit are standardly insured for up to \$250,000. The standard insurance coverage is per depositor, per insured bank. As of December 31, 2023 and 2022, uninsured cash deposits amounts to approximately \$311,000 and \$1,500,000.

**Investment Securities**

Investments represent marketable equity securities, corporate and U.S. government bonds and notes, certificates of deposit, corporate and mutual funds. These securities are recorded at market value using quoted market prices. Unrealized gains and losses are reported in the statement of activities.

Investment income, net consists primarily of interest and dividends. Interest is recognized on the accrual basis and dividends are recorded as earned at the ex-dividend date. Realized capital gains and losses are determined under the specific identification basis and are recorded in the statement of activities.

The Foundation pools investments for general investment purposes. Investment income is divided among certain designated funds based upon an allocation method of computation.

**Fair Value of Financial Instruments**

The Foundation categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. Accounting standards emphasize that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

*Level 1* – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

*Level 2* – Financial assets and liabilities are valued using inputs such as quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data. Level 2 includes private collateralized mortgage obligations, municipal bonds, and corporate debt securities.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value of Financial Instruments (Continued)**

*Level 3* – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset or inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes private equity, venture capital, hedge funds, and real estate.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk, or liquidity profile of the asset or liability.

The Foundation follows an accounting standard that allows entities the irrevocable option to elect fair value for the initial and subsequent measurement for certain financial assets and liabilities on an instrument-by-instrument basis. The Foundation has not elected to measure any existing financial instruments at fair value as permitted under this standard. However, the Foundation may elect to measure newly acquired financial instruments at fair value in the future.

**Current Expected Credit Losses**

At the beginning of 2023, the Foundation adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The Foundation adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Organization's financial statements.

**Functional Allocation of Expenses**

Identifiable expenditures made in direct fulfillment of the Foundation's expressed goals are classified as program services. The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of functional expenses. Certain operational expenses have been allocated among the programs and supporting services based upon management's estimate of the time employees spent working on the program or supporting services.

**Income Taxes**

The Internal Revenue Service (IRS) has determined the Foundation is exempt from income taxes under the provisions of IRC Section 501(c)(3). In addition, the Foundation has been determined by the IRS to be other than a private foundation within the meaning of Section 509(a) of the IRC. Accordingly, no provision for income taxes has been made in these financial statements.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes (Continued)**

The Foundation is in compliance with the income tax standard regarding the recognition and measurement of uncertain tax positions. This guidance clarifies the accounting for uncertainty in income taxes recognized in a Foundation's financial statements.

**Grants and Contributions**

A portion of the Foundation's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Foundation has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization had \$109,883 and \$0 in conditional grants that have not been recognized as revenue in the statement of activities because conditions have not been met at December 31, 2023 and 2022, respectively.

**Revenue Recognition**

All contributions are considered to be available for use without restriction unless specifically restricted by the donor. Contributions and grants received with donor and grantor stipulations that limit the use of donated assets are treated as net assets with donor restrictions. When the purpose of the restriction is accomplished, the donor restricted net assets are reclassified to net assets without restrictions and reported in the combined statement of activities as net assets released from restrictions. All donor restricted contributions and grants whose restrictions are met in the same fiscal year as the donation is received are recorded as support without restriction.

Grants or contributions restricted for the purpose of acquiring or constructing long-lived assets are recorded net assets with donor restrictions until the long-lived asset is acquired or constructed; at such time the net assets are released from the restriction and reclassified to net assets without restriction. Absent donor restrictions as to how long long-lived assets must be maintained, expirations of donor restrictions are reported when donated or acquired long-lived assets are placed in service.

Contributions subject to donor-imposed restrictions that they must be maintained permanently are treated as net assets with donor restrictions. The donor of those assets permits the use of income earned on related investments for general purposes.

Grants received from local, state, and federal governments as well as private organizations are recorded based upon the terms of the grantor allotment, which generally provides that revenues are earned when the allowable costs of the specific grant provisions have been incurred.



**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

The Foundation determines if an arrangement is a lease at inception. As of December 31, 2023, the Foundation has not entered into any material leases. However, if an arrangement should be identified as a material lease, operating leases would be included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases would be included in right-of-use assets – financing and lease liability – financing in the balance sheet.

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Foundation has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases will not be included as lease liabilities or ROU assets on the balance sheet.

Individual lease contracts may not provide information about the discount rate implicit in the lease. In these instances, the Foundation has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of the lease liabilities.

The Foundation has elected not to separate nonlease components from lease components and instead will account for each separate lease component and the nonlease component as a single lease component.

**Subsequent Events**

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through November 8, 2024, the date the financial statements were available to be issued.

**Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**NOTE 3 LIQUIDITY AND AVAILABILITY**

The Foundation routinely monitors liquidity to meet its operating needs and other contractual commitments. The Foundation considers all expenditures related to its ongoing activities. In addition to financial assets available to meet general expenditures, the Foundation operates with a balanced operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 3 LIQUIDITY AND AVAILABILITY (CONTINUED)**

The Foundation's financial assets that are available within the year under audit and the prior year of the statements of financial position date for general expenditures are as follows:

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 1,133,715	\$ 2,369,185
Investments	14,077,652	12,506,499
Unconditional Promises to Give	44,055	38,055
Total Financial Assets	<u>15,255,422</u>	<u>14,913,739</u>
Less:		
Net Assets With Donor Restrictions	(6,898,861)	(7,024,097)
Total	<u>\$ 8,356,561</u>	<u>\$ 7,889,642</u>

**NOTE 4 INVESTMENT SECURITIES**

Investment securities consisted of the following at December 31, 2023:

	<u>Cost</u>	<u>Fair Market Value</u>
Mutual Funds	\$ 11,708,328	\$ 13,384,613
Stocks	969,636	416,359
Corporate Bonds	49,523	276,680
Total	<u>\$ 12,727,487</u>	<u>\$ 14,077,652</u>

Investment securities consisted of the following at December 31, 2022:

	<u>Cost</u>	<u>Fair Market Value</u>
Mutual Funds	\$ 12,067,209	\$ 12,074,513
Stocks	184,471	155,016
Corporate Bonds	329,141	276,970
Total	<u>\$ 12,580,821</u>	<u>\$ 12,506,499</u>

The Foundation has adopted an investment and spending policy for non-endowed and endowed assets that attempts to give long-term stability to its investments by protecting principal and ensuring its growth in order to sustain its purchasing power against the rate of inflation over time. The policy is also designed to ensure predictable cash flows in order to provide predictable outflows of expenditures for the Foundation's program services. The annual spending limit is independent of the investment income earned and thus may be more or less than the income earned by interest, dividends and capital appreciation in any one year. The spending policy will be monitored to assure that all endowment funds maintain or increase the real value of the endowment principal over the long term.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 5 FAIR VALUE MEASUREMENTS**

The Foundation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Foundation measures fair value, refer to Note 2 – Summary of Significant

Accounting Policies. The following tables present the fair value hierarchy for the balances of the assets of the Foundation measured at fair value on a recurring basis as of December 31:

	2023			Total
	Level 1	Level 2	Level 3	
Assets:				
Investments:				
Mutual Funds	\$ 13,384,613	\$ -	\$ -	\$ 13,384,613
Stock	416,359	-	-	416,359
Corporate Bonds	-	276,680	-	276,680
Total Investments	<u>\$ 13,800,972</u>	<u>\$ 276,680</u>	<u>\$ -</u>	<u>\$ 14,077,652</u>

	2022			Total
	Level 1	Level 2	Level 3	
Assets:				
Investments:				
Mutual Funds	\$ 12,074,513	\$ -	\$ -	\$ 12,074,513
Stock	155,016	-	-	155,016
Corporate Bonds	-	276,970	-	276,970
Total Investments	<u>\$ 12,229,529</u>	<u>\$ 276,970</u>	<u>\$ -</u>	<u>\$ 12,506,499</u>

**NOTE 6 NET ASSETS**

As of December 31, net assets with donor restrictions consisted of the following:

	2023	2022
Field of Interest	\$ 3,295,879	\$ 3,304,267
Programs	1,493,264	1,462,633
Scholarships	864,414	814,930
Fiscal Sponsorship	466,028	610,506
Bolt Nagi	-	312,337
Recovery Assistance	97,230	169,569
Grants	104,321	163,505
Agency	178,671	115,398
Judith A. Towle Environmental Studies	70,000	70,000
Children's Trust	312,337	-
Other	16,717	952
Total Net Assets With Donor Restrictions	<u>\$ 6,898,861</u>	<u>\$ 7,024,097</u>

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 6 NET ASSETS (CONTINUED)**

As of December 31, net assets without donor restrictions consisted of the following:

	<u>2023</u>	<u>2022</u>
Net Assets Without Donor Restrictions	\$ 3,979,260	\$ 3,825,669
Donor Advised Funds	<u>4,253,243</u>	<u>4,024,521</u>
Total	<u>\$ 8,232,503</u>	<u>\$ 7,850,190</u>

**NOTE 7 DEFINED CONTRIBUTION PLAN**

The Foundation has a defined contribution plan that covers all eligible employees who have earned \$5,000 during any two preceding years and is reasonably expected to earn at least \$5,000 in the current year. The Foundation matches 100% of the participants' contributions up to 3%. Contributions charged to expense on the statements of activities for the years ended December 31, 2023 and 2022 amounted to \$13,118 and \$12,600, respectively.

**NOTE 8 ENDOWMENT**

The Foundation's endowment consists of two funds established primarily to provide funding for child advocacy, children and families and support for environmental activities and studies. As required by U.S. GAAP, net assets associated with endowment funds, including quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Foundation has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions the historical value of donor-restricted endowment funds, which includes (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) changes to the permanent endowment made in accordance with the direction of the applicable donor gift instrument. Also included in net assets with donor restrictions is accumulated appreciation on donor restricted endowment funds which are available for expenditure in a manner consistent with the standard of prudence prescribed by the UPMIFA, and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 8 ENDOWMENT (CONTINUED)**

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

Changes in endowment net assets for the year ended December 31, are as follows:

	Net Assets With Donor Restrictions - Purpose	Net Assets With Donor Restrictions - Perpetual	Total
Endowment Net Assets - December 31, 2022	\$ 382,336	\$ 135,254	\$ 517,590
Investment Return:			
Investment Income (Loss)		(15,000)	(15,000)
Unrealized Gains		51,580	51,580
Realized Losses		7,264	7,264
Investment Fees		(4,763)	(4,763)
Total Investment Return	-	39,081	39,081
Administrative Fees	-	-	-
Contributions	-	2,009	2,009
Transfers	-	5,000	5,000
Amount Appropriated for Expenditures	-	-	-
Endowment Net Assets - December 31, 2023	<u>\$ 382,336</u>	<u>\$ 181,344</u>	<u>\$ 563,680</u>

	Net Assets With Donor Restrictions - Purpose	Net Assets With Donor Restrictions - Perpetual	Total
Endowment Net Assets - December 31, 2021	\$ 252,325	\$ 282,337	\$ 534,662
Investment Return:			
Investment Income	8,381	-	8,381
Unrealized (Loss)	(87,590)	-	(87,590)
Realized Gains	-	-	-
Investment Fees	(41,709)	-	(41,709)
Total Investment Return	(120,918)	-	(120,918)
Administrative Fees	-	-	-
Contributions	-	3,850	3,850
Transfers In (Out)	(16,500)	100,000	83,500
Amount Appropriated for Expenditures	250,930	(250,930)	-
Endowment Net Assets - December 31, 2022	<u>\$ 365,837</u>	<u>\$ 135,257</u>	<u>\$ 501,094</u>



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Community Foundation of the Virgin Islands, Inc.  
St. Thomas, U.S. Virgin Islands

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Foundation of the Virgin Islands, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 8, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Foundation of the Virgin Islands, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Foundation of the Virgin Islands, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Community Foundation of the Virgin Islands, Inc.'s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

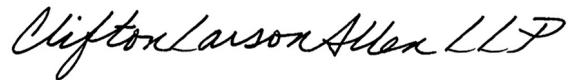
Board of Directors  
Community Foundation of the Virgin Islands, Inc.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Community Foundation of the Virgin Islands, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Naples, Florida  
November 8, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
Community Foundation of the Virgin Islands, Inc.  
St. Thomas, U.S. Virgin Islands

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Community Foundation of the Virgin Islands, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Community Foundation of the Virgin Islands, Inc.'s major federal programs for the year ended December 31, 2023. Community Foundation of the Virgin Islands, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Community Foundation of the Virgin Islands, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Community Foundation of the Virgin Islands, Inc. and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Community Foundation of the Virgin Islands, Inc.'s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Community Foundation of the Virgin Islands, Inc.'s federal programs.



### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Community Foundation of the Virgin Islands, Inc.'s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Community Foundation of the Virgin Islands, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Community Foundation of the Virgin Islands, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Community Foundation of the Virgin Islands, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Community Foundation of the Virgin Islands, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control Over Compliance***

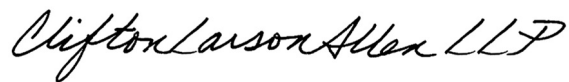
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Board of Directors  
Community Foundation of the Virgin Islands, Inc.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Naples, Florida  
November 8, 2024

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2023**

Federal Agency Pass-Through Entity Federal Program	Assistance Listing Number	Contract Grant Number	Federal Expenditures
<b>U.S. Department of Treasury</b>			
Coronavirus Relief Fund	21.019		\$ 390,117
Total Assistance Listing Number			<u>390,117</u>
<b>U.S. National Endowment for the Humanities</b>			
Promotion of the Humanities Division of Preservation and Access	45.149		444,406
Total Assistance Listing Number			<u>444,406</u>
Total Federal Financial Assistance			<u>\$ 834,523</u>

*See accompanying Notes to Schedule of Expenditures of Federal Awards.*

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
DECEMBER 31, 2023**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards and state granting activity of Community Foundation of the Virgin Islands, Inc., under programs of the federal and state governments for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of 2CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of Senior Friendship Centers, Inc., it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of Senior Friendship Centers, Inc.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Community Foundation of the Virgin Islands, Inc. has not elected to use the 10 percent de minimus cost rate as covered in 2CFR Section 200.414 and has a federally negotiated rate with their cognizant agency.

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2023**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes        x   no

**Identification of Major Programs and Projects**

**ALN Number(s)**

21.019

**Name of Federal Program or Cluster**

Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B federal programs:

\$ 750,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes        x   no

**COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with the Uniform Guidance.

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***Section IV – Findings and Questioned Costs – Major State Projects***

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Our audit did not disclose any matters required to be reported in accordance with Chapter 10.550, Rules of the Auditor General.

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***Section V – Other***

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No management letter is required because there were no findings to be reported in a management letter as required by Section 215.97(9)(f) and 215.97(10)(d) of the Florida Statutes, Auditor General Rule 10.654(l) or 10.656(3)(e).



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