



**SALVADORAN AMERICAN
HUMANITARIAN FOUNDATION, INC.**
Miami, Florida

Financial Statements and
Independent Auditors' Report

December 31, 2022

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Salvadoran American Humanitarian Foundation, Inc.
Miami, Florida

Opinion

We have audited the accompanying financial statements of Salvadoran American Humanitarian Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, 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 Salvadoran American Humanitarian Foundation, Inc. as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Salvadoran American Humanitarian Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility 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, 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.

396 Alhambra Circle, Suite 900, Coral Gables, FL 33134 • Tel: 305.446.3022 • Fax: 305.446.6319
www.hlbgravier.com

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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 Salvadoran American Humanitarian Foundation, Inc.'s ability to continue as a going concern within one year after the date the financial statements are issued or 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 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted 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 Salvadoran American Humanitarian 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 Salvadoran American Humanitarian 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.

Report in Summarized Comparative Information

We have previously audited Salvadoran American Humanitarian Foundation's 2021 and we expressed an unmodified audit opinion on those audited financial statements financial statements in our report dated May 5, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in blue ink that reads "HLB Gravier, CPA". The signature is written in a cursive, flowing style.

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
June 27, 2023

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2022 (with comparative totals as of December 31, 2021)

	2022	2021
ASSETS		
Current assets:		
Cash	\$ 65,260	\$ 158,086
Unconditional promises to give, without donor restrictions	40,979	62,911
Inventory - in-kind goods received but not shipped	1,684,364	232,539
	1,790,603	453,536
Cash, board designated, without donor restrictions	217,696	9,642
Investments, board designated, without donor restrictions	302,924	643,704
Investments with donor restrictions	477,475	477,475
	2,788,698	1,584,357
TOTAL ASSETS	\$ 2,788,698	\$ 1,584,357
LIABILITIES AND NET ASSETS		
Current liabilities:		
Pledged in-kind goods	\$ 1,684,364	\$ 232,539
Accounts payable and accrued expenses	49,924	48,471
TOTAL LIABILITIES	1,734,288	281,010
Net assets:		
Without donor restrictions	576,935	825,871
With donor restrictions	477,475	477,475
	1,054,410	1,303,346
TOTAL LIABILITIES AND NET ASSETS	\$ 2,788,698	\$ 1,584,356

The accompanying notes are an integral part of these financial statements.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
STATEMENT OF ACTIVITIES

For the year ended December 31, 2022 (with comparative totals for the year ended December 31, 2021)

	Without Donor Restrictions	With Donor Restrictions	Total	2021 Comparative Totals Only
Operating activities:				
Contributions of cash and other financial assets	\$ 420,725	\$ 1,020,488	\$ 1,441,213	\$ 1,215,351
Government grants	82,735	-	82,735	80,064
Contributions of nonfinancial assets	17,873,339	-	17,873,339	22,532,909
Total revenue and support before releases	18,376,799	1,020,488	19,397,287	23,828,324
Net assets released from restrictions	1,020,488	(1,020,488)	-	-
Total support and revenue	19,397,287	-	19,397,287	23,828,324
Expenses:				
Program services	19,359,826	-	19,359,826	23,753,391
Management and general	81,723	-	81,723	77,070
Fundraising	72,050	-	72,050	67,310
Total expenses	19,513,600	-	19,513,600	23,897,771
Change in net assets from operating activities	(116,313)	-	(116,313)	(69,447)
Nonoperating activities:				
Interest and dividend income	39,260	-	39,260	36,900
Investment return, net	(171,883)	-	(171,883)	24,064
Change in net assets from nonoperating activities	(132,623)	-	(132,623)	60,964
Change in net assets	(248,936)	-	(248,936)	(8,483)
Net assets, beginning of year	825,871	477,475	1,303,346	1,311,830
Net assets, end of year	\$ 576,935	\$ 477,475	\$ 1,054,410	\$ 1,303,347

The accompanying notes are an integral part of these financial statements.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2022 (with comparative totals for the year ended December 31, 2021)

	Program Activities	Supporting Activities		Total Expenses	2021
		Management & General	Fund Raising		Comparative Totals Only
Bank charges	\$ 1,635	\$ 545	\$ 545	\$ 2,725	\$ 2,413
Contributions of nonfinancial	17,873,339	-	-	17,873,339	22,532,909
Contributions of cash	1,075,636	-	-	1,075,636	850,806
Licenses and taxes	-	1,255	-	1,255	1,509
Media and public relations	-	8,418	-	8,418	8,751
Office rent	16,330	5,443	5,443	27,216	27,216
Office expense	9,421	3,140	3,140	15,702	9,121
Postage and printing	2,092	697	697	3,486	1,322
Professional fees	8,295	2,765	2,765	13,825	11,973
Wages and benefits	173,689	57,896	57,896	289,482	278,374
Insurance	945	315	315	1,575	1,478
Travel	2,396	798	799	3,993	-
Telephone	1,348	449	449	2,247	2,152
Wharfage and handling	194,699	-	-	194,699	169,246
Other direct	-	-	-	-	500
	<u>\$ 19,359,826</u>	<u>\$ 81,723</u>	<u>\$ 72,050</u>	<u>\$19,513,598</u>	<u>\$ 23,897,771</u>

The accompanying notes are an integral part of these financial statements.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
STATEMENT OF CASH FLOWS

For the year ended December 31, 2022 (with comparative totals for the year ended December 31, 2021)

	2022	2021
Cash Flows From Operating Activities		
Change in net assets	<u>\$ (248,936)</u>	<u>\$ (8,483)</u>
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Investment return, net	171,883	(24,064)
Change in assets and liabilities:		
(Increase) decrease in pledges receivable	21,932	(41,860)
Increase in pledges and accounts payable	<u>1,453</u>	<u>25,861</u>
	<u>195,268</u>	<u>(40,063)</u>
Net Cash Used in Operating Activities	(53,668)	(48,546)
Cash Flows From Investing Activities		
Proceeds from sale of investments	860,598	-
Purchases of investments	<u>(691,702)</u>	<u>(32,891)</u>
Net Cash Provided by (used in) Investing Activities	168,896	(32,891)
Net increase (decrease) in cash	115,228	(81,437)
Cash at beginning of year	<u>167,728</u>	<u>249,165</u>
Cash at end of year	<u><u>\$ 282,956</u></u>	<u><u>\$ 167,728</u></u>
Cash	\$ 65,260	\$ 158,086
Cash, board designated	<u>217,696</u>	<u>9,642</u>
	<u><u>\$ 282,956</u></u>	<u><u>\$ 167,728</u></u>
Non-Cash Transactions:		
Donated in-kind goods, pledged at year end	\$ 1,684,364	\$ 232,539

The accompanying notes are an integral part
of these financial statements.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 1 – Significant Accounting Policies and Operations

Nature of Activities

Salvadoran American Humanitarian Foundation, Inc. (the "Foundation") is a not-for-profit corporation incorporated in the State of Florida in September 1983. The Foundation's mission is to enhance the well-being of the underserved people in El Salvador through human development programs implemented in partnership with its in-country sister foundation, FUSAL, and other local organizations. The Foundation's primary program is to supply more than 500 hospitals, clinics, nursing homes, orphanages, schools and other non-governmental agencies with medicines, medical supplies, nutritional supplements, school supplies and other staples needed to provide for an adequate care to their beneficiaries.

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting. The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 *Accounting for Statements of Not-for-Profit Organizations* and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide").

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. The Foundation's board may designate assets without restrictions for specific operational purposes from time to time.

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 by the donor has stipulated the funds be maintained in perpetuity.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 1 – Significant Accounting Policies and Operations (Continued)

Contributions of cash and other financial assets

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

Contributions of nonfinancial assets

The Foundation recognized contributed nonfinancial assets within revenue, including household goods, food, medical supplies, pharmaceuticals, and clothing. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. All contributed nonfinancial assets received were distributed as part of the Foundation's humanitarian development program in El Salvador. The Foundation does not monetize noncash contributions.

Contributions of nonfinancial assets received are stated at the estimated fair market value reported by donors. When the donor does not provide the fair market value, it is estimated by the management of the Foundation. No amounts have been reflected in the accompanying financial statements for donated services since no objective basis is available to measure the value of such services. However, a number of volunteers have donated a significant amount of their time to the Foundation's program services and special events.

The primary method of valuation is based on the value provided our donors, which have many years of experience in accessing fair value typically due to their direct relationship with the manufacturer. In valuing household goods, food, clothing, and medical supplies, the Foundation values its donated items based on a wholesale fair value based on estimates of wholesale values that would be received for selling similar products in the United States.

In valuing contributed pharmaceuticals, management uses "wholesale acquisition cost", listed in reference materials including First Databank and IBM Micromedex Red Book, which are widely used drug and pricing reference guides for the pharmaceutical industry in the United States.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 1 – Significant Accounting Policies and Operations (Continued)

Property and Equipment

Property and equipment is recorded at cost. Depreciation is provided by using the straight-line method over the estimated useful lives of the assets. Expenditures for repairs and maintenance are expensed when incurred. Renewals and betterments are capitalized.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Foundation has defined cash and cash equivalents as those highly liquid investments purchased with an original maturity of three months or less. Financial instruments which potentially subject the Foundation to concentrations of credit risk consists principally of cash in excess of federally insured limits. The Foundation generally limits the amount of credit exposure by maintaining its cash balances under these limits. As of December 31, 2022, the Foundation did not have deposits in excess of the insured limits.

Pledges and Grants Receivable

Pledges and grants are recorded as receivables in the year made, net of estimated uncollectible amounts and discounts.

Investments

Net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments, is presented in the statement of activities as investment return. Investment return is presented net of investment fees. The average cost method is primarily used to determine the basis for computing realized gains or losses.

Valuation of Investments in Securities at Fair Value - Definition and Hierarchy

The Foundation reports its investments in marketable securities at fair market value in the statement of financial position. Fair value is defined as the price that the Foundation would receive to sell an investment or pay to transfer a liability in an orderly transaction with an independent counter-party in the principal market or in the absence of a principal market, the most advantageous market for the investment or liability. ASC 820 establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs); and establishes a classification of fair value measurements for disclosure purposes. The hierarchy is summarized in the three broad levels listed below:

- Level 1- quoted prices in active markets for identical investments
- Level 2- other significant observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.)

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 1 – Significant Accounting Policies and Operations (Continued)

- Level 3- significant unobservable inputs (including the Foundation’s own assumptions in determining the fair value of investments) .

As of December 31, 2022, all investment securities owned by the Foundation are Level 1 securities (See Note 4).

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Foundation’s ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

Income Taxes

The Foundation is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified as other than a private foundation. The Foundation has adopted “Accounting for Uncertainties in Income Taxes” as prescribed by the Accounting Standards Codification, which provides guidance for financial statement recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return for open tax years (generally a period of three years from the later of each return’s due date or the date filed) that remain subject to examination.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services. Such allocations are determined by management on an equitable basis. The expenses that are allocated include salaries and benefits, occupancy, professional services and administrative expenses. The allocation is made based on time and effort and full time equivalent estimates.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

In accordance with ASC 855, the Foundation has evaluated subsequent events and transactions for potential recognition or disclosure through June 27, 2023, which is the date the financial statements were available to be issued.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 1 – Significant Accounting Policies and Operations (Continued)

Recent Accounting Pronouncements

In September 2020, the FASB issued Accounting Standards Update 2020-07, which increases the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosures. It will be in effect for annual periods beginning after June 15, 2021. The Organization fully implemented by the required date.

Note 2 – Net Assets - With Donor Restrictions

Donor restricted net assets consist for the following purposes as of December 31, 2022:

Not subject to appropriation or expenditure:	
Original donor-restricted gift amounts required to be held indefinitely	<u>\$477,475</u>
Total net assets with donor restrictions	<u>\$477,475</u>

Releases from Donor restricted net assets for the year 2022 are as follows:

Subject to expenditure for specified purpose	<u>\$1,020,488</u>
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Note 3 – Net Assets – Endowment Funds

The Foundation’s endowment consists of funds held with an institutional investment company. The endowment includes both donor-restricted endowment funds which are classified and reported based on the existence or absence of donor-imposed restrictions and funds designated by the board of directors to function as an endowment.

The Foundation is subject to the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) 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 expenditure. 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 has interpreted FUPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to the endowment fund, unless a donor stipulates to 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’s policy does not permit spending from underwater funds. As a result, there were no underwater funds as of December 31, 2022. No funds were appropriated from the endowment fund during 2022.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 3 – Net Assets – Endowment Funds (continued)

Additionally, in accordance with FUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) The duration and preservation of the fund (2) The purpose of the Foundation and the donor-restricted endowment fund (3) General economic conditions (4) The possible effect of inflation or deflation (5) The expected total return from income and the appreciation of investments (6) Other resources of the Foundation (7) The investment policies of the Foundation.

Endowment Net Asset Composition by Type of Fund

	Without Donor Restrictions	With Donor Restrictions	12/31/22 Total
Donor-Restricted Endowment Funds:			
Original donor-restricted endowment gifts	\$ -	\$ 477,475	\$ 477,475
Board designated endowment fund	520,620	-	520,620
	<u>\$ 520,620</u>	<u>\$ 477,475</u>	<u>\$ 998,095</u>

	<u>12/31/22</u>
The endowment fund is comprised of:	
Investments	\$ 780,399
Cash and equivalents	217,696
	<u>\$ 998,095</u>

Changes in Endowment Net Assets for the year

	Without Donor Restrictions	With Donor Restrictions	12/31/22 Total
Endowment Net Assets, beginning of year	\$ 653,346	\$ 477,475	\$ 1,130,821
Reinvested dividends and earnings	22,623	16,534	39,157
Investment return, net	(155,348)	(16,535)	(171,883)
Contributions	-	-	-
Amounts appropriated for expenditure	-	-	-
Transfers	-	-	-
Endowment Net Assets, end of year	<u>\$ 520,620</u>	<u>\$ 477,475</u>	<u>\$ 998,095</u>

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 4 – Investments

The following is a summary of investments (endowment fund) held at December 31, 2022:

	Cost	Unrealized Appreciation (Depreciation)	Fair Value
Mutual Funds	\$ 912,659	\$ (132,260)	\$ 780,399
Cash equivalents	217,696	-	217,696
Total Endowment Fund	\$ 1,130,355	\$ (132,260)	\$ 998,095

The net unrealized loss recorded for the year ended December 31, 2022 was \$(212,516).

Note 5 – Property and Equipment

Major classifications of property and equipment are summarized as follows:

	2022
Property and equipment	\$ 55,908
Less – accumulated depreciation	(55,908)
	\$ -

There was no depreciation expense for 2022.

Note 6 – Pledges Receivable

Unconditional promises to give consist of the following:

	2022
Unrestricted promises	\$ 42,569
Less allowance for uncollectible	(1,590)
Net pledges receivable	\$ 40,979

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 7 – Liquidity

The Foundation’s financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash, unrestricted	\$	65,260
Pledges receivable		40,979
		<hr/>
	\$	106,239
		<hr/>

The Foundation’s financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date and amounts set aside for long-term investing in endowments.

The Foundation’s endowment funds consist of donor-restricted endowments and a board-designated endowment fund. Income from donor-restricted endowments may be restricted for specific purposes and, therefore, is not available for general expenditure.

As part of the Foundation’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Foundation invests cash in excess of daily requirements in short-term investments. Additionally, the Foundation has a board-designated endowment with a balance of \$520,620 as of December 31, 2022. Although the Foundation does not intend to spend from its board-designated endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its donor-restricted endowment could be made available if necessary. However, both the board-designated endowment and donor-restricted endowments contain investments with lock-up provisions that would reduce the total investments that could be made available.

Note 8 – Special Events

Special events generate revenue for the Foundation as well as raise awareness about the organization's mission. Some events are annual and some are incidental to the Organization's central activities and do not happen regularly. Incidental events are recorded net in the accompanying Statement of Activities.

SALVADORAN AMERICAN HUMANITARIAN FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Note 9 –Contributed Nonfinancial Assets

For the year ended December 31, 2022, contributed nonfinancial assets recognized within the statement of activities included:

Medicines	\$ 14,217,095
Food	1,183,707
Clothing	1,477,559
Medical supplies and other	994,978
	<u>\$ 17,873,339</u>

In additional, during 2022 several donations received from a donor were accepted in an agency transaction and shipped to El Salvador. As a result, the Foundation agreed not to record the value of those donations in its financial statements. The value of those contributions received which are not included in the statement of activities totaled approximately \$1,337,000.