

THE COMMUNITY FOUNDATION
OF THE NEW RIVER VALLEY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
The Community Foundation of the New River Valley

We have audited the accompanying financial statements of the Community Foundation of the New River Valley (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Community Foundation of the New River Valley as of December 31, 2013, 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.

Christiansburg, VA
August 26, 2014

THE COMMUNITY FOUNDATION OF THE NEW RIVER VALLEY
STATEMENT OF FINANCIAL POSITION
AT DECEMBER 31, 2013

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,330
Pledges receivable	17,500
Discount on pledges receivable	(1,069)
Prepaid expenses and deposits	520
Total current assets	<u>18,281</u>

Restricted holdings:

Cash and cash equivalents	989,789
Money market and mutual funds	5,381,010
Equity securities	1,686,739
Debt securities	432,150
Total endowment investments	<u>8,489,688</u>

Other non-current assets:

Pledges receivable	18,750
Discount on pledges receivable	(543)
Land	71,000
Cash surrender value of life insurance	39,957
Total other non-current assets	<u>129,164</u>

TOTAL ASSETS \$ 8,637,133

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 1,492
Credit cards payable	220
Payroll liabilities	3,789
Line of credit	35,000
Total current liabilities	<u>40,501</u>

Net assets:

Unrestricted net assets:	
Operating	66,986
Board designated	-
Temporarily restricted net assets	3,038,694
Permanently restricted net assets	5,490,952
Total net assets	<u>8,596,632</u>

TOTAL LIABILITIES AND NET ASSETS \$ 8,637,133

THE COMMUNITY FOUNDATION OF THE NEW RIVER VALLEY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support, revenues and reclassifications:				
Contributions	\$ 162,175	\$ 265,208	\$ 295,180	\$ 722,563
Investment return	7,133	1,124,563	-	1,131,696
Cash surrender value of life insurance	-	8,333	-	8,333
Other income	997	-	-	997
Assets released from restrictions:				
Restrictions satisfied by payments	299,954	(299,954)	-	-
Administration fees	86,116	(86,116)	-	-
Total public support, revenues, and reclassifications	556,375	1,012,034	295,180	1,863,589
Expenses:				
Program expenses:				
Grants and scholarships	299,954	-	-	299,954
Total program expenses	299,954	-	-	299,954
Administration:				
Advertising	5,742	-	-	5,742
Dues and subscriptions	5,151	-	-	5,151
Fundraising and donor relations	8,456	-	-	8,456
Health insurance	2,863	-	-	2,863
Interest expense	379	-	-	379
Life insurance	-	5,000	-	5,000
Meeting expenses	10,019	-	-	10,019
Office supplies	3,861	-	-	3,861
Payroll expenses	151,517	-	-	151,517
Postage and delivery	4,605	-	-	4,605
Printing and copying	7,178	-	-	7,178
Professional fees	22,056	-	-	22,056
Real estate expenses	177	-	-	177
Recognition	1,244	-	-	1,244
Rent	7,440	-	-	7,440
Other technology expense	15,531	-	-	15,531
Telephone and internet	1,306	-	-	1,306
Third Thursday costs	634	-	-	634
Travel	2,880	-	-	2,880
Investment management fees	-	37,805	-	37,805
Miscellaneous expenses	1,308	75	-	1,383
Total operating expenses	252,347	42,880	-	295,227
Total expenses	552,301	42,880	-	595,181
Change in net assets	4,074	969,154	295,180	1,268,408
Net assets as of the beginning of the year	62,912	2,069,540	5,195,772	7,328,224
Net assets as of the end of the year	\$ 66,986	\$ 3,038,694	\$ 5,490,952	\$ 8,596,632

See accompanying notes to financial statements

THE COMMUNITY FOUNDATION OF THE NEW RIVER VALLEY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ 1,268,408
Adjustments to reconcile net assets to net cash provided by operating activities:	
Restricted holdings activities:	
Contributions received	(560,388)
Realized and unrealized gains on investments	(1,012,438)
Interest and dividends earned	(120,458)
Grant and scholarship activity	299,954
Administrative fees	86,116
Other expenses	42,696
(Increase)/decrease in operating assets:	
Pledges receivable	(34,638)
Prepaid expenses and deposits	(335)
Increase/(decrease) in operating liabilities:	
Accounts payable	(1,672)
Credit cards payable	(75)
Payroll liabilities payable	(4,063)
Net cash provided by operating activities	<u>(36,893)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
None	-
Net cash provided by investing activities	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from line of credit	25,000
Net cash provided by financing activities	<u>25,000</u>
NET DECREASE IN CASH	(11,893)
BEGINNING CASH	<u>13,223</u>
ENDING CASH	<u>\$ 1,330</u>

THE COMMUNITY FOUNDATION OF THE NEW RIVER VALLEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Community Foundation of the New River Valley (Foundation) is a publicly-supported, tax exempt philanthropic organization. It administers endowed funds established by donors for the long-term and makes grants from these funds. Founded in 1994 as a 501(c)(3) non-profit organization, the Community Foundation is managed by an independent, volunteer governing board representative of the New River Valley.

B. Method of Accounting

The Foundation utilizes the accrual method of accounting, whereby revenues are recognized when earned and expenses are recognized when goods or services are received.

C. Property and Equipment

During the current year the Foundation adopted a capitalization policy for property and equipment. The policy states that capital expenditures of \$5,000 or more for property with a useful life greater than one year will be capitalized and depreciated. If donated, then fair market value will be used to book the asset. Property and equipment is depreciated using the straight line method over the following useful lives:

Software	3 years
Equipment	5 years
Furniture	7 years

There was no depreciation expense for the current year.

D. Income Taxes

The Foundation is a non-profit organization that is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. The Foundation has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

The Organization's Form 990, Return of Organization Exempt from Income Tax, for the years ending 2011, 2012, and 2013 are subject to examination by the IRS, generally for three years after they were filed.

E. Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. All temporarily and permanently restricted cash is considered restricted holdings and is not included in the beginning and ending cash balances on the statement of cash flows. Those cash balances are listed under restricted holdings on the statement of financial position. As of December 31, 2013, \$527,519 of the Foundation's cash deposits with National Bank exceeded FDIC insurance limits, and none of the Foundation's cash investments exceeded SIPC insurance limits.

F. 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.

G. Promises to Give

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

H. Contributed services

Contributed services meeting the requirement for recognition in the financial statements are not material and have not been recorded.

I. Investments

The Foundation follows Generally Accepted Accounting Principles in which investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values on the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investments in other than marketable securities are reported at the appraised value as of the date of the contribution if contributed, or cost if purchased.

J. Financial Statement Presentation

The Foundation follows Generally Accepted Accounting Principles in which it reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets.

K. Contributions

The Foundation follows Generally Accepted Accounting Principles in which contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of donor restrictions.

L. Date of Management's Review

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 26, 2014, the date the financial statements were available to be issued.

2. PLEDGES RECEIVABLE

Pledges receivable at December 31, 2013 total \$36,250. These unconditional promises to give to the Organization are recorded at present value discounted at the federal interest rate of 3.25% and are identified on the Statement of Financial Position as either current or non-current based on the expectation of when the contributions will be received. The following pledges are receivable as of December 31, 2013:

	In Less Than One Year	In One to Five Years	In More than Five Years
Union Bank (formerly Stellar One)	\$ 5,000.00	\$ 5,000.00	\$ -
National Bank	7,500.00	7,500.00	-
JSW Financial	5,000.00	6,250.00	-
	<u>17,500.00</u>	<u>18,750.00</u>	<u>-</u>

3. INVESTMENTS

Investments as of December 31, 2013 are summarized as follows:

	Cost	Fair Value
Temporarily and permanently restricted:		
Money market and mutual funds	\$ 4,496,942	\$ 5,381,010
Equity securities	1,180,970	1,686,739
Debt securities	409,363	432,150
Total investments	<u>\$ 6,087,276</u>	<u>\$ 7,499,899</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended December 31, 2013:

	Unrestricted	Temporarily Restricted
Interest and dividends	\$ 7,133	\$ 120,458
Realized gains	-	173,634
Unrealized gains	-	830,471
Total investment income	<u>\$ 7,133</u>	<u>\$ 1,124,563</u>

4. ADMINISTRATION FEES

The Foundation receives fees from certain endowment funds for managing those funds. These fees help offset general and administrative costs. During the year, the Foundation received \$86,116 in administrative fees.

5. ENDOWMENT FUNDS

Endowment funds are established when a donor wishes to have the donated assets used for a specific purpose. These endowment funds are treated as temporarily restricted and/or permanently restricted. Permanently restricted assets include only the principal of certain endowment funds where the principal is invested in perpetuity and only the earnings on the amount invested are available for expenditure by the Foundation. Temporarily restricted assets include the assets of certain endowment funds where the principal and the accumulated earnings are available for expenditure. Also classed as temporarily restricted assets are the accumulated earnings of permanently restricted funds. When distributions are made from these temporarily restricted funds for the purposes specified in the endowment fund agreements, the amounts are reported as released from restrictions in the statement of activities.

The Organization's endowments consist of many individual funds established for a variety of purposes. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law:

The Board of Directors of the Organization has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) 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 Organization classifies as permanently restricted net assets (a) the original value of gifts to the permanent endowments, (b) the original value of subsequent gifts to the permanent endowments, and (c) accumulations to the permanent endowments made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment funds that are not classified in permanently restricted net assets are classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- A) The duration and the preservation of the fund.
- B) The purposes of the Organization and the donor-restricted endowments funds.
- C) General economic conditions.
- D) The duration and the preservation of the fund.
- E) The possible effect of inflation and deflation.
- F) The expected total return from income and the appreciation of the investments.
- G) Other resources of the Organization.
- H) The investment policies of the Organization.

At December 31, 2013, the Foundation had the following endowed funds:

	Temporarily Restricted	Permanently Restricted	Total
417 Fund - to support charitable work for the care and support of the New River Valley community spirit that arose to meet the tragic shootings at Virginia Tech on April 16, 2007.	\$ 1,064	10,395	\$ 11,459
Administrative Endowment - created to provide annual funding to meet Community Foundation operational costs with a goal of self-sufficiency.	38,001	258,333	296,334
Arts Alliance Endowment Fund - To support local arts organizations and local artists in support of arts projects and/or specific operational needs related to the arts.	6,705	19,175	25,880
Arts Fund of CFNRV - To support the arts in the New River Valley.	3,248	-	3,248
Hulannie A. and Kimberlyn Atherton-Jenkins Fund - to provide support to qualified charitable organizations or agencies.	9,148	17,000	26,148
Town of Blacksburg Senior Center Endowment Fund - created to provide support to the Town of Blacksburg Senior Center.	10,456	31,748	42,204
Zeta Beta Chapter of Alpha Phi Omega Endowment Fund for Leadership, Friendship, and Service - to provide support to the Zeta Beta Chapter of Alpha Phi Omega, a dedicated community service fraternity at Virginia Tech, to carry out its role and mission.	2,324	10,850	13,174
Auxiliary of Radford Community Hospital/CNRVMC Scholarship Fund - to provide scholarships for residents of the New River Valley who are pursuing a career in nursing or a related health profession.	14,863	127,314	142,177

	Temporarily Restricted	Permanently Restricted	Total
Vernon L. and Lois M. Baldwin Memorial "Town & Gown" Award Fund - to provide support through annual grants to qualified charitable organizations in the New River Valley with an emphasis on organizations that honor individuals who have been of long service to both Virginia Tech and the Town of Blacksburg.	1,994	14,460	16,454
Daniel C. and Joanne L. Bell Endowment Fund - to support hospice care and general charitable purposes in the New River Valley.	7,677	26,668	34,345
Skip Bishop Scholarship Fund - to provide support to qualified charitable organizations located primarily in the New River Valley for scholarships to graduating high school student athletes from Floyd County High School to attend any college or university.	8	2,615	2,623
James E. and Kate H. Board Scholarship Fund - to provide college scholarships to students who graduated Check Elementary School and are attending Floyd County High School, have a high school GPA of at least 3.0, and who are otherwise financially unable to attend college.	12,765	50,000	62,765
Bohlin Family Fund - to provide support to qualified charitable organizations or agencies.	(334)	10,000	9,666
Ghia Borg Memorial Fund - to provide support to qualified charitable organizations or agencies.	75,674	290,000	365,674
Ghia Borg Memorial Health Care Fund - to provide health care needs of the poor, the needy and the less-fortunate and for general charitable purposes.	27,880	120,000	147,880
Cabell Brand and Shirley Brand Student Fellowship and Mini-grant Fund - to provide grants or fellowships to high school and college students, and to provide mini-grants to non-profit and charitable organizations to encourage and facilitate the study, research and development of solutions to social and environmental issues such as recycling, education, hunger, land use, homelessness, biodiversity, and health care in Southwest Virginia.	3,229	15,139	18,368
Wellness Fund - to provide support to qualified charitable organizations or agencies to promote wellness in the New River Valley.	2,947	11,750	14,697

	Temporarily Restricted	Permanently Restricted	Total
Rosina and Dean Carter Fund for Visual Arts - to support qualifying New River Valley agencies that engage in, promote, and educate the general public in the field of visual arts.	6,733	29,000	35,733
Chachra Family Cultural Fund - to provide support to qualified charitable organizations or agencies to promote understanding of the cultures of India by supporting cultural activities such as workshops, readings, movies, festivals, concerts, fireworks and dance; and for general charitable purposes.	2,642	11,000	13,642
Children's Shelter Home Endowment - to provide support through annual grants to qualified charitable organizations in the New River Valley that assist children in need.	7,218	165,980	173,198
Community Service Fund - to provide support for general charitable purposes.	1,480	25,733	27,213
Jackson S. Copenhaver Fund - to provide support to qualified charitable organizations or agencies.	1,776	10,109	11,885
Jackson S. Copenhaver Legacy Fund - to provide support to qualified charitable organizations or agencies.	6,159	741,214	747,373
Cosby Scholarship Fund - to provide support to qualified charitable organizations or agencies for scholarships to graduating high school students from Floyd County High School in Floyd County, VA to attend any trade or technical school, college or university.	-	1,230	1,230
Cottingham-Stuart Community Fund - to provide support to qualified charitable organizations or agencies.	22,196	-	22,196
Roy and Vivian Davis Memorial Fund - to support the Bladen County, North Carolina Public Library in carrying out its role and mission.	4,169	25,692	29,861
Diana, Princess of Wales Memorial Fund - to support charitable activities in the New River Valley that assist victims of AIDS and their families, children in need, those in need of hospice care, and the homeless.	2,268	22,865	25,133
Domermuth Scholarship Fund - to provide college scholarships to graduated high school students or other, nontraditional students, from Giles County.	1,583	25,000	26,583

	Temporarily Restricted	Permanently Restricted	Total
Early Childhood Education Teachers Fund - to support development and continued strengthening of the area's teachers of pre-school children.	2,874	15,687	18,561
T. Scott Eaton Memorial Scholarship - to provide scholarships to graduating high school students that wish to pursue post-high school studies in theater or fine arts.	3,957	13,799	17,756
Ray E. and Mary B. Epperly Family Fund - to provide one or more annual grants to qualified charitable organizations or agencies in eastern Montgomery County, primarily for scholarships. The scholarships shall be made available to students of average academic ability (GPA of 3.2 or less) who reside or are domiciled in eastern Montgomery County area at the time of their initial application, plan to attend college, and have a financial need.	11,681	38,611	50,292
Eclectic Oenophiles Endowment Fund - to provide support to qualified charitable organizations or agencies.	3,464	12,455	15,919
Benjamin Eiss Memorial Fund - created to provide support for school teachers of at-risk students in Montgomery County elementary level schools. Coordinated with the Public School's STAR Grant Program.	3,799	22,350	26,149
Endowment for Floyd County - to provide general support for NRV charities, with an emphasis on Floyd County.	32,812	119,899	152,711
Luba Fabrycky Memorial Endowment Fund - To provide support to qualified charitable organizations or agencies primarily located in the New River Valley for the education of elementary school children with emphasis on children from disadvantaged families and for general charitable purposes.	54,282	100,000	154,282
Feisty Floyd Filanthropists Fund - to provide support to qualified charitable organizations serving Floyd County, Virginia primarily for general charitable purposes.	6,173	22,000	28,173
Bill Ford Memorial Scholarship Fund - to provide college scholarships to students from Eastern Montgomery High School and/or students who played basketball with the Virginia Warriors.	-	575	575

	Temporarily Restricted	Permanently Restricted	Total
Marcus Allen Ford Memorial Scholarship - to provide college scholarships to graduating high school students from Christiansburg High School	5,792	10,355	16,147
David and Lillian Francis Charitable Endowment - to provide support to charitable organizations or agencies serving the charitable needs of alcoholics and their families, and for general charitable purposes.	17,550	68,006	85,556
Free Clinic of the New River Valley Fund - to provide support to the Free Clinic of the New River Valley to carry out its role and mission.	7,734	20,084	27,818
Friends of Claytor Lake, Inc. Endowment Fund - to provide support to the Friends of Claytor Lake, Inc. of Pulaski, VA to carry out its role and mission.	6,179	21,655	27,834
Friends of the Pulaski County Library Endowment Fund - to advance the mission of the Friends of the Pulaski County Library to promote the interests of the Pulaski County Library System and to educate the community about library services.	344	12,620	12,964
Nelle Oakey Ryan Gardner Memorial Fund - to provide support to qualified charitable organizations or agencies.	2,815	15,859	18,674
Susan Garrison Memorial Fund - to provide support to the Town of Blacksburg for projects and initiatives that promote or support environmental awareness, sustainability, and/or community beautification.	-	12,320	12,320
General Endowment - to provide support for all Foundation fields of interest at the discretion of the Foundation Board of Directors.	19,827	19,309	39,136
Gerus Blieszner Fund - to promote innovative classroom practices in elementary schools in Montgomery County. Coordinated with the Public School's STAR Grant Program.	3,145	12,250	15,395
Endowment for Giles County - to provide support to qualified charitable organizations or agencies for general charitable purposes.	11,898	46,980	58,878
Jim Gwazdauskas Memorial Scholarship Fund - to provide support to qualified charitable organizations or agencies for scholarships to graduating high school students from Blacksburg, VA to attend any college or university.	13,987	19,538	33,525

	Temporarily Restricted	Permanently Restricted	Total
Juanita Shelor Hall Memorial Scholarship Endowment Fund - to provide scholarships to graduated high school students that pursue undergraduate studies at a college or university for studies in business or education. The recipients must have graduated from Auburn High School or another high school located in Montgomery County.	2,445	35,786	38,231
Hawk's Ridge Fund - to provide support to the Women's Resource Center of the New River Valley, the New River Land Trust, and SEEDS (Seek Education, Explore, Discover) all tax exempt organizations under Section 501(c)(3) of the Code.	3,899	13,512	17,411
Hazelton Family Fund - to provide support to public elementary, middle and high schools primarily located in the New River Valley for the purchase of science equipment and supplies used for science lessons for public school children.	1,994	13,806	15,800
Terry Helms Memorial Scholarship Fund - to provide college scholarships to students from Blacksburg High School pursuing a degree in math or a related field.	1,000	12,175	13,175
HMM Miami High School Scholarship Fund - To provide scholarships for graduates of Miami High School, Miami, AZ, to attend the University of Arizona.	84,377	-	84,377
HMM Poverty Assistance Fund - To provide support to qualified charitable organizations or agencies in the New River Valley and elsewhere in the United States to address problems of poverty.	78,445	-	78,445
Warren Lloyd Holtzman Seed Grant Funds - to support qualified charitable organizations or agencies.	203,513	-	203,513
Ann and HW Huff, Jr. Family Fund - to support qualified charitable organizations or agencies in the Pulaski County area of Virginia serving the poor, the needy and the less fortunate.	192,592	609,778	802,370
Homer T. and Beverly A. Hurst Family Endowed Fund - to support qualified charitable organizations or agencies.	57,844	69,485	127,329

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Youngs Family International Peace Garden Fund - to provide support for the upkeep and maintenance of the International Peace Garden, located on the campus of Virginia Tech, or should said garden cease to exist, for other international peace projects.	7,582	26,016	33,598
Warren Lloyd Holtzman Merit Grant Fund - To provide support to charitable organizations or agencies located in the New River Valley and elsewhere in the United States through seed grants encouraging, supporting and recognizing innovation, research and upward mobility in the areas of small business development, human potential advancement, nurturing grassroots community-based programs and expansion of free market economy knowledge and expertise; and, for general charitable purposes.	6,117	-	6,117
Jacobs Family Fund - to provide support to charitable organizations or agencies that serve children and young families in need, and for general charitable purposes.	5,606	21,050	26,656
Jennifer Fund of the New River Valley - to provide support to charitable organizations or agencies for pediatric cancer treatment assistance for children victims of cancer and their families in need, and for other pediatric medical needs.	25,937	72,060	97,997
Casey Jones Memorial Scholarship Fund - to provide scholarships to graduates of Blacksburg High School in Blacksburg, VA pursuing a degree in physical education or related health science to attend any college or university primarily located in the New River Valley and elsewhere in the U.S.	791	7,485	8,276
Jim and Janet Johnson Band Scholarship Fund - to provide support for enhancing the musical skills and music appreciation of high school music band students at Blacksburg High School by funding assistance such as band camp scholarships and music lessons.	2,754	10,400	13,154
J.J. Fund - to provide scholarships for needy New River Valley residents seeking post-secondary education in the visual arts, to support activities and programs that enhance arts education in the visual arts, and general charitable purposes.	1,901	15,000	16,901
Kammerer Family Fund - to provide support to qualified charitable organizations or agencies.	3,957	10,100	14,057

	Temporarily Restricted	Permanently Restricted	Total
Beatrice S. Kalka Endowment Fund - to provide support to the Women's Resource Center of the New River Valley (a tax exempt organization under Section 501(c)(3) of the Code) and other charitable organizations or agencies in the New River Valley and elsewhere in the United States; and for general charitable purposes.	11,919	39,000	50,919
Kennedy Family Endowed Fund - to support qualified religious or charitable organizations engaged in Christian mission efforts.	3,566	10,148	13,714
Mary Ann King Peters Memorial Scholarship Fund - to support qualified charitable organizations or agencies.	6,723	12,085	18,808
Kiser Orthodontics Scholarship Fund - to provide college scholarships to students from the counties of Floyd, Giles, Montgomery, Pulaski, Tazewell, Wythe, and Bland, Virginia; the counties of Mercer and McDowell, West Virginia; and the city of Radford, Virginia.	1,000	1,000	2,000
Kolla-Landwehr Fund - to support qualified charitable organizations or agencies.	53,494	-	53,494
Lambda Horizon Scholarship Fund - to provide scholarships to students who have made contributions to the lesbian, gay, bisexual, and transgender community through leadership, service, volunteering, or research.	-	1,223	1,223
Literacy Volunteers of America-NRV Endowment - to support the Literacy Volunteers of America-NRV in carrying out its role and mission.	1,069	13,429	14,498
Jane Brugh Layman Charitable Fund - to provide support to charitable organizations and agencies for community benevolences, and for cultural activities including art and music, and for general charitable purposes.	4,572	27,020	31,592
Diana Love Legacy Instrumental Music Scholarship - to provide scholarships to graduated high school students who attended a public high school in the Blacksburg strand of Virginia's Montgomery County, and who are pursuing a career in instrumental music to attend any college or university.	3,318	19,275	22,593
Loving Care Fund - to provide support to qualified charitable organizations or agencies for the benefit of children and families and for supporting the Foundation's operations.	42,060	142,053	184,113

	Temporarily Restricted	Permanently Restricted	Total
Lunch Pail Defense Scholarship - to support qualified charitable organizations in the New River Valley.	-	1,050	1,050
Allan and Marie Mandelstamm Scholarship Fund - to provide scholarships to graduated high school students who have attended a high school in the New River Valley.	16,919	96,000	112,919
A. Phillip Meadows Leadership Scholarship - to support NRV and Hinton, West Virginia high school seniors entering Virginia Tech who demonstrate strong academic achievement, leadership, community involvement and financial need.	2,927	11,102	14,029
Virle and Al Payne Mental Health Association Endowed Fund - to provide support to the Mental Health Association of the New River Valley to carry out its role and mission.	3,340	10,440	13,780
Miller Family Fund - to support qualified charitable organizations in the New River Valley.	3,449	15,200	18,649
Montgomery County Christmas Store Endowment Fund - to provide support to the Montgomery County Christmas Store for its charitable purpose.	3,202	10,000	13,202
Montgomery County Community Shelter Fund - to provide annual discretionary funding to the Montgomery County Shelter for its charitable purposes.	2,348	12,318	14,666
Montgomery County Educational Foundation Endowment - to provide support to Montgomery County Public Schools in Montgomery County, Virginia to enable students, teachers and administrators to discover, advance and enhance educational opportunities; and for general charitable purposes.	15,503	30,100	45,603
Montgomery County Public Safety Monument Fund - to provide funding to qualified charitable organizations or agencies for the development, design and construction of a monument dedicated to law enforcement, fire, and rescue personnel of Montgomery County, Virginia who have lost their lives in the line of duty; and for general charitable purposes.	28,520	-	28,520
Ellen Moore Memorial Fund - to support qualified charitable organizations or agencies.	9,246	11,936	21,182

	Temporarily Restricted	Permanently Restricted	Total
Andy and Susan Morikawa Capacity Building Fund - to support qualified charitable organizations or agencies in the New River Valley for programs that build the capacity of charitable organizations to meet the critical needs of the community in a manner that is sustainable; and for general charitable purposes.	3,323	11,423	14,746
Muffo Family Scholarship Fund - to provide college scholarships to graduated high school students or other, nontraditional students residing in the New River Valley on the basis of financial need.	510	2,000	2,510
Nancy and Thomas Murray Endowment for Prevent Child Abuse Now - to provide unrestricted support to Prevent Child Abuse Now, to carry out its role and mission.	2,613	13,501	16,114
The New Generation Fund for Local Government - to support qualified charitable organizations or agencies for internships with local governments; scholarships for individuals participating in certificate or degree programs in local government management; and for general charitable purposes.	595	450	1,045
New Mountain Climbers Fund - to support qualified charitable organizations or agencies.	8,790	14,350	23,140
New River Valley Change Network Fund - to provide support to qualified charitable organizations or agencies.	631	4,009	4,640
New River Valley Fund for Animals - to provide support for companion animal welfare programs and for general charitable purposes.	4,041	18,800	22,841
Robert E. and Nadine J. Newcomb Parenting Skills Fund - to provide support through annual grants for the purpose of teaching parenting skills, especially to disadvantaged parents of pre-school age children.	6,510	30,457	36,967
Nicholson Family Fund - to enhance the well-being and improve the quality of life of children in Radford and the neighboring counties of Montgomery, Pulaski, Floyd and Giles to support social, ethical, educational, recreational, and health programs, projects, or individual causes, or to support those simple pleasures that bring comfort, security, joy, and smiles to children.	1,257	10,000	11,257

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
North Family Fund - to provide support to charitable organizations or agencies that assist needy, single-head of household families, especially of Hispanic origin, living in the New River Valley and for general charitable purposes.	12,788	45,550	58,338
NRV Dental Benevolence Fund - To provide support to qualified charitable organizations or agencies, such as the Free Clinic of the New River Valley, primarily located in the New River Valley and elsewhere in the United States for dental care and dental services for the poor and less fortunate; and, for general charitable purposes.	20,193	56,769	76,962
Virle and Al Payne Family Fund - to support qualified charitable organizations in the New River Valley.	3,809	-	3,809
Diana Pickering Memorial Garden Fund - to provide support to qualified charitable organizations in the development of interpretative botanical sites open and accessible to the general public, and for general charitable purposes.	7,121	10,000	17,121
Piscura Family Endowed Fund - to provide support through annual grants for the purpose of protecting the environment, education, gun control and other general charitable purposes.	13,253	91,103	104,356
Plenty! Local Fund - to provide support to qualified charitable organizations or agencies to support grassroots, community-based initiatives that promote neighbors of all ages working side-by-side to grow and share local food; and for general charitable purposes.	4,916	10,000	14,916
Plummer Family Scholarship Fund - to provide scholarships to graduating high school students from Grayson County High School and Galax City High School to attend any 2-year or 4-year college, technical school, art school, community college or any university located in Virginia, North Carolina or Tennessee.	13,434	50,000	63,434
Pulaski County Library Systems Fund - to provide support to the Pulaski County Library System to carry out its role and mission as described by its governing documents.	110,902	-	110,902
Lee Society Endowment - to support qualified charitable organizations or agencies.	696	10,000	10,696

	Temporarily Restricted	Permanently Restricted	Total
Radford Child Development, Inc. Fund - to hold gifts made to RCD Inc. until such time as it attains recognition as a 501(c)3 nonprofit organization from the Internal Revenue Service. If it fails to attain such status, the funds are to be distributed to an appropriate, qualified charitable organization as designated by RCD, Inc.	888	-	888
Recognition Research Foundation - to provide support to qualified charitable organizations and agencies for general charitable purposes.	47,670	-	47,670
Reserve for CFNRV - a cash flow reserve for foundation operations.	18,200	-	18,200
Frank and Shirleigh Marvin Scholarship Fund of the Renaissance Music Academy of Virginia - to provide annual discretionary funding to the school, especially for scholarships for Renaissance Music Academy of Virginia students.	963	10,350	11,313
Mary P. Risacher Memorial Fund - to support qualified charitable organizations or agencies.	2,063	11,740	13,803
Adrienne Marie Rhudy Memorial Scholarship Fund - to provide support to qualified charitable organizations or agencies primarily located in the New River Valley and elsewhere in Virginia, for scholarships to graduating high school students to attend any college (2-year or 4-year) or any university.	15,143	124,700	139,843
Evelyn Rutrough Memorial Scholarship Fund - to provide support to qualified charitable organizations or agencies for scholarships to graduating high school students from a public high school in Virginia's Floyd County, to attend a trade or technical school, college or university to pursue an education in teacher education or in nursing.	19,101	10,000	29,101
Kathy and Bill Sanders Family Fund - to provide support to qualified charitable organizations and agencies to promote education, intellectual development, and social engagement among children and young people with particular emphasis on the arts; and for general charitable purposes.	1,564	10,000	11,564

	Temporarily Restricted	Permanently Restricted	Total
Mary E Sanders Family Fund - to provide support to charitable organizations or agencies to promote education, intellectual development, social awareness, and civic responsibility among young people (especially those from circumstances with no previous history of college education) and for general charitable purposes.	3,240	10,225	13,465
Seek Education, Explore, Discover (SEEDS) Endowment Fund - to provide support to SEEDS, a Virginia nonprofit corporation, to carry out its role and mission.	1,755	15,000	16,755
The Shelor Family Foundation Fund - temporary holding fund which will be used to fund the private foundation established under the Trust of Nola S. Albert.	856,677	-	856,677
Shuler Family Reading Fund - to support charitable organizations or agencies that provide literary services.	3,217	12,500	15,717
Smart Beginnings NRV Charitable Fund - to improve kindergarten readiness and early educational success by supporting quality educational and developmental opportunities in the New River Valley for children and their families, prenatally through early elementary school; and for general charitable purposes.	8,165	10,000	18,165
George R. and Mildred H. Smith Family Fund - to support qualified charitable organizations or agencies in the New River Valley or elsewhere for general charitable purposes.	2,449	-	2,449
Virgil Speaks Fund - to provide support to qualified charitable organizations or agencies such as What's On Stage at Harding Avenue Elementary School, the Lyric Theatre, the Community Foundation of the New River Valley, and Beans and Rice and for general charitable purposes.	11,369	28,299	39,668
Fritz and Emma Spengler Loving Memorial Fund - to provide support to Young Life of Virginia, a public charity exempt from taxation under Section 501 (c)(3) of the Internal Revenue Service Code to carry out its role and mission in the New River Valley.	3,201	25,000	28,201

	Temporarily Restricted	Permanently Restricted	Total
Stadium Woods Endowment Fund - to support educational, recreational, and research activities in Stadium Woods, a rare old growth forest predominantly white oak urban forest located in Blacksburg, VA ; and for educational, recreational, research and preservation activities related to forestland in the Commonwealth of VA	-	8,645	8,645
Stoop Memorial Fund - to provide support to charitable organizations or agencies.	3,779	20,179	23,958
Dennis Stauffer Memorial Scholarship Fund - to provide college scholarships to graduated Blacksburg High School students active in the high school marching band, flag corps, or symphonic band.	200	600	800
Robert and Emily Stuart Grassroots Leadership Development Fund - to promote grassroots leadership development in the New River Valley.	4,809	27,745	32,554
Joann and JB Sutphin Fund - to provide support to charitable organizations or agencies.	4,485	10,000	14,485
Eric E Sutphin Memorial Scholarship Fund for Children of New River Valley Law Enforcement Officers - to provide scholarships to graduating high school students or GED graduates or continuing college students who have a parent or legal guardian who is a law enforcement officer serving in the New River Valley with preference given to children of law enforcement officers working in Montgomery County, Virginia to attend any college , university or accredited vocational or technical program.	12,071	22,126	34,197
Talbot Family Fund - to provide support to qualified charitable organizations or agencies, especially the Free Clinic of the New River Valley, a not-for-profit medical clinic located in Christiansburg, VA; the Interfaith Food Pantry, located at Blacksburg Baptist Church in Blacksburg, VA; the Community Foundation of the New River Valley, a not-for-profit public foundation in Christiansburg, VA; and the Montgomery County Christmas Store, a not-for-profit distributor of Christmas gifts for needy families located in Christiansburg, VA.	14,469	15,000	29,469

	Temporarily Restricted	Permanently Restricted	Total
W.F. Teel Scholarship Fund - to provide college scholarships to graduated students from Auburn High School who have documented financial need, strong academic achievement, and evidence of high moral standards.	5,872	16,000	21,872
Chris Thompson Charitable Fund - to support qualified charitable organizations or agencies.	172,341	-	172,341
Chris Thompson Family Endowment - to support qualified charitable organizations or agencies.	50,058	170,000	220,058
Todd Family Fund - To provide support to qualified charitable organizations or agencies including faith-based organizations in Grayson County and the City of Galax, Virginia; and, the New River Valley and elsewhere in the United States for general charitable purposes.	1,816	18,300	20,116
Margaret and Samuel F. Tollison Family Fund - to provide support to qualified charitable organizations or agencies for general charitable purposes.	3,788	14,950	18,738
Larry Turman Memorial Scholarship Fund - to provide college scholarships to graduating students from Floyd County High School.	4,753	25,050	29,803
Woodrow and Elma Turman Scholarship Fund - to provide scholarships to graduating high school students from Floyd County High School, Floyd, Virginia to attend any trade or technical school, college (2-year or 4-year) or any university. Selection criteria shall include demonstrated ability and strong commitment to better themselves by continuing their education. Academic achievement sufficient to gain admission to any trade or technical school, college or any university is required but will not be a key determining factor. Selection criteria shall include documented financial need demonstrating that a scholarship from the Fund might be a positive determining factor in whether or not the recipients pursue post-secondary education. The Fund will provide no more than two annual scholarships to any single recipient. recipients may receive scholarships from the Fund for a second year if they maintain passing grades and are matriculated at any trade or technical school, college or any university.	4,780	25,000	29,780

	Temporarily Restricted	Permanently Restricted	Total
United Way of Montgomery, Radford, and Floyd Endowment Fund - created to provide annual discretionary funding to the United Way of Montgomery, Radford and Floyd for its charitable purposes.	10,270	44,607	54,877
Valley Interfaith Child Care Endowment Fund - to provide support to the Valley Interfaith Child Care Center of Blacksburg, VA in providing child care for and serving the needs of the very young (ages 0-3) children of low-income working families.	5,031	39,434	44,465
Virginia Tech Faculty Women's Club Scholarship Fund - to provide support to qualified charitable organizations or agencies for scholarships to rising senior class women at Virginia Polytechnic Institute and State University who have demonstrated excellence in academics and service.	68,798	147,126	215,924
Wang Family Fund - to provide college scholarships to graduated students from Blacksburg High School who are in the top 20% of their class and demonstrate the qualities of scholastic achievement, community involvement, leadership, and global awareness.	2,000	8,000	10,000
Wings Fund - to provide scholarships for needy New River Valley residents seeking post-secondary education and to develop activities supportive of needy students seeking post-secondary education.	10,254	50,000	60,254
Women's Resource Center Endowment - to provide support to the Women's Resource Center to carry out its role and mission.	4,918	16,134	21,052
The Winters Family Endowment - to provide annual funding to the Intellectual Disabilities Agency of the New River Valley and/or to provide funding for the personal and educational needs of persons with intellectual disabilities through grants to qualified charitable organizations or agencies in the New River Valley.	9,608	35,000	44,608
Worthington-Dolloff Cancer Treatment Assistance Fund - to provide support to charitable organizations or agencies for cancer treatment assistance for needy families and individuals, and for general charitable purposes.	6,259	19,605	25,864

	Temporarily Restricted	Permanently Restricted	Total
Young Life Kids to Camp Fund - to provide scholarships for youth to participate in Young Life of VA summer camps.	1,815	17,390	19,205
Young Professionals Fund - to support general charitable purposes in the New River Valley.	1,497	2,181	3,678
Young Women's Life Experiences Fund - to assist young girls and women under the age of 20 to participate in life experience activities that are conducted, sponsored, or associated with charitable organizations located in the New River Valley.	5,746	22,500	28,246
Youth Awareness Fund - to provide support through annual grants for the purpose of informing the community about emerging issues with respect to school age children.	2,158	11,500	13,658
Cash surrender value of life insurance policy.	39,957	-	39,957
Totals	<u>\$ 3,038,694</u>	<u>\$ 5,490,952</u>	<u>\$ 8,529,646</u>

Note: Of the negative balance reflected in temporarily restricted net assets, \$334 represents amounts by which the fair value of certain donor-restricted endowment funds were below the amount required to be retained permanently.

Changes in endowment net assets are summarized as follows:

	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 2,069,540	\$ 5,195,772	\$ 7,265,312
Investment return	1,124,563	-	1,124,563
Change in cash surrender value of life insurance	8,333	-	8,333
Contributions	265,208	295,180	560,388
Funds released from restrictions	(299,954)	-	(299,954)
Endowment administration fees	(86,116)	-	(86,116)
Investment fees	(37,805)	-	(37,805)
Real estate expenses	-	-	-
Life insurance premium	(5,000)	-	(5,000)
Foreign taxes paid	(75)	-	(75)
Endowment net assets at end of year	<u>\$ 3,038,694</u>	<u>\$ 5,490,952</u>	<u>\$ 8,529,646</u>

Description of amounts classified as permanently restricted net assets and temporarily restricted net assets:

Permanently restricted net assets:

A) The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation or by SPMIFA	\$ 5,490,952
Total permanently restricted net assets	<u>\$ 5,490,952</u>

Temporarily restricted net assets:

A) Endowment funds, including earnings from permanently restricted funds	\$ 1,305,892
B) Pass-through funds	1,732,803
Total temporarily restricted net assets	<u>\$ 3,038,694</u>

Funds with deficiencies:

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in temporarily restricted net assets were \$334 as of December 31, 2013. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Trustees.

Return objectives and risk parameters:

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 Index while assuming a moderate level of investment risk.

Strategies employed for achieving objectives:

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

Spending policy and how investment objectives relate to spending policy:

The Organization has a policy of appropriating for distribution each quarter an amount deemed prudent by the Distribution Committee. This committee is responsible for gathering and analyzing facts and conducting investigation and research to determine effective agencies and means for meeting current and emerging needs of the New River Valley community through (1) distributing gifts for charitable purposes and (2) taking action as a catalyst and convener for leadership and community development. The Distribution Committee members are appointed by the Organization's Board President with the concurrence of the Board. The Distribution Committee shall consist of no fewer than six members of the board, selected for their knowledge of the charitable, public, educational, scientific, literacy and other needs of the inhabitants of the community. The Distribution Committee may, from time to time, allow members of the community to serve as non-voting advisors to the Committee. When making distributions, the Committee considers the long-term expected return on its endowments. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowments to grow annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

6. FAIR VALUE MEASUREMENTS

Professional standards define fair value, and establish a framework for measuring fair value, and expand disclosures about fair value measurements. These standards state 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 market participants would use in pricing the asset or liability under current market conditions at the measurement date. As a basis for considering market participant assumptions in fair value measurements, the guidance establishes a fair value hierarchy that is based on the subjectivity of inputs. It distinguishes between observable (Levels I and II) which are either observable from market data or corroborated by observable market data and those that are unobservable (Level III).

Three levels of inputs that may be used to measure fair value are as follows:

Level I - Unadjusted quoted prices in active markets for identical assets or liabilities. Level I assets and liabilities include debt and equity securities that are traded in an active exchange market.

Level II - Inputs other than quoted prices included in Level I that are observable, either directly or indirectly. Such inputs may include quoted prices for similar assets, observable inputs other than quoted prices (interest rates, yield curves, etc.), or inputs derived principally from or corroborated by observable market data by correlation or other means. This category generally includes certain U.S. Government and agency mortgage-backed debt securities, corporate debt securities and alternative investments using net asset value (NAV) per share for which the Organization has the ability to redeem its investment at or close to the measurement date.

Level III - Inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. The inputs reflect the Organization's assumptions based on the best information available in the circumstances. This category generally includes certain private debt and equity investments, alternative investments where the Organization will never have the ability to redeem its investment with the investee at NAV per share or the redemptive date is not close to the measurement date. This category also includes investments held in trust where the Organization is not the trustee and the beneficial interest in perpetual trust.

The following table summarizes the valuation of the Organization's investments by fair value hierarchy levels previously described as of December 31, 2013:

	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)	12/31/2013
Recurring fair value measurements:				
Money market/mutual	\$ 5,381,010	\$ -	\$ -	\$ 5,381,010
Equity securities	1,683,439	3,300	-	1,686,739
Debt securities	432,150	-	-	432,150
Insurance cash value	39,957	-	-	39,957
	<u>\$ 7,536,556</u>	<u>\$ 3,300</u>	<u>\$ -</u>	<u>\$ 7,539,856</u>
Nonrecurring fair value measurements:				
Real estate	\$ -	\$ 71,000	\$ -	\$ 71,000
Total	<u>\$ 7,536,556</u>	<u>\$ 74,300</u>	<u>\$ -</u>	<u>\$ 7,610,856</u>

Recurring fair value measurements:

Level II securities are not publicly traded. They are valued by reviewing stock trades near the end of the year and using the sales price per share closest to the measurement date.

Nonrecurring fair value measurements:

Level II real estate is valued at fair market value at the date of contribution, and revalued as needed based on similar lots and the fluctuation of the real estate market.

7. LINE OF CREDIT

The Organization has an open line of credit with the National Bank. The variable interest rate at December 31, 2013 is 3.25% with a total available credit line of \$60,000. There is a balance of \$35,000 on the line of credit at December 31, 2013. The money borrowed was used to fund operations.

8. RENT EXPENSE

On April 1, 1999, the Foundation signed a year-to-year lease for office space. The lease originally called for rent payments of \$300 per month. That rate has increased each year, and was \$600 per month at the end of 2013. The Foundation expects to renew the lease for at least the following year. Rent expense for office space for the current year totaled \$6,900.

Future minimum lease payments are as follows:

2014	\$	7,200
2015	\$	7,500
2016	\$	7,800
2017	\$	8,100
2018	\$	8,400

9. RETIREMENT PLAN

During 2001 the Foundation established an SEP Retirement Plan for employees with at least one year of service. Foundation contributions totaling \$8,826 were made for 2013.

10. ADDITIONAL CASH FLOW INFORMATION

Cash paid for interest during the year	\$	-
Cash paid for income taxes	\$	-

11. GRANTS

During the current year, the Foundation disbursed grants to the following recipients:

Fund and recipient	Amount	Fund Total
Administrative Endowment		
Community Foundation of the NRV	7,620	7,620
Arts Alliance Fund		
Blacksburg High School	500	
Floyd Community Education Association	1,000	
NRV Friends of Symphony	500	
New River Community Services	500	
Harding Avenue Elementary School	1,000	
Valley Interfaith Child Care Center, Inc.	800	4,300
Baldwin Town and Gown Fund		
Warm Hearth Foundation	500	
Community Foundation of the NRV	185	685
Blacksburg Band Fund		
Blacksburg High School Band	360	360

Fund and recipient	Amount	Fund Total
Blacksburg Senior Center Fund Blacksburg Senior Center	1,020	1,020
Daniel C. and Joanne L. Bell Endowment Fund New River Valley Agency on Aging	880	880
Gerus Blieszner Fund Friends of the Farmer's Market	340	340
Ghia Borg Memorial Fund American Red Cross	1,280	
Brain Injury Services of Southwest Virginia	273	
Feeding America SWVA	2,830	
Free Clinic of the NRV	217	
Warm Hearth Foundation	1,620	
Young Life of the NRV	2,000	8,220
Ghia Borg Memorial Health Fund Dental Aid Partners of the NRV	1,690	
Free Clinic of the NRV	1,690	3,380
Cabell Brand and Shirley Brand Student Fellowship and Mini-grant Fund Apple Ridge Farm, Inc.	420	420
Carter Fund Harding Avenue Elementary School	780	780
Jackson S. Copenhaver Fund Montgomery Museum & Lewis Miller Regional Art Center	107	107
Jackson S. Copenhaver Legacy Fund Community Foundation of the NRV	13,676	13,676
Children's Shelter Home Fund Holy Family Catholic Church	250	
New River Community Action	2,190	
Reach Out and Read Virginia	1,220	
Prices Fork Elementary School	600	4,260
Early Childhood Education Teachers Fund Valley Interfaith Child Care Center, Inc.	440	440
Eclectic Oenophiles Endowment Emergency Needs Task Force	1,000	
Pulaski Adult Day Service & Fall Prevention Center, Inc.	1,000	
Women's Resource Center	1,000	3,000
Luba Fabrycky Memorial Endowment Fund Apple Ridge Farm Inc.	580	
Boys and Girls Club of SW VA	1,440	
Camp Timber Ridge	500	
Montgomery Museum & Lewis Miller Regional Art Center	260	
Reach Out & Read Virginia	1,180	
Virginia Tech Foundation	400	4,360

<u>Fund and recipient</u>	<u>Amount</u>	<u>Fund Total</u>
Endowment for Floyd County		
Sustain Floyd	500	
Floyd County Treasurer	500	
Floyd County Center for the Arts	925	
Floyd County Cares, Inc.	1,985	
Old Church Gallery	500	
New River Community Action	500	
Blue Ridge Center for Chinese Medicine	1,400	6,310
Feisty Floyd Filanthropists Fund		
Floyd Cares, Inc.	1,140	
Floyd County Life Saving & First Aid Squad	570	
Jessie Peterman Memorial Library	570	
Floyd County Center for the Arts	570	
New River Community Action	570	
Young Life of the NRV	570	3,990
Francis Endowment Fund		
Bethany Hall Residential Treatment Center	680	
New River Community Action	680	1,360
Nelle Oakey Ryan Gardner Memorial Fund		
Literacy Volunteers of America NRV	278	278
General Endowment Fund		
Community Foundation of the NRV	41	
Bladen County Library	500	
Friends of the Farmer's Market	160	
German Club Alumni Foundation	500	
Harding Avenue Elementary School	500	
Intellectual Disability Agency of the NRV	55	
New River Community Action	1,000	
New River Valley Agency on Aging	500	
NRV Planning District Commission	500	
Feeding America SWVA	1,000	4,756
Endowment for Giles County		
Endowment for Giles County (Permanent)	2,577	
Holy Family Catholic Church	1,550	
Children's Trust Foundation of the Roanoke Valley	500	
Dental Aid Partners of the NRV	500	
First Christian Church	3,200	
Mt. Olivet United Methodist Church	1,750	
New River Valley Community Services	910	
Community Foundation of the NRV	657	
Newport Community Action Committee	400	
Virginia Cooperative Extension, Giles	1,000	
Virginia Cooperative Extension, Pulaski	1,500	
Giles County Historical Society	400	
Giles County Christian Service Mission	3,000	17,944
Hawk's Ridge Fund		
SEEDS	485	485

Fund and recipient	Amount	Fund Total
Hazelton Family Fund		
Radford Public Library	600	600
HMM Poverty Fund		
Beans & Rice, Inc.	3,000	3,000
Warren Lloyd Holtzman Seed Fund		
Apple Ridge Farm Inc.	924	
Community Foundation of the NRV	1,018	
Freedom Scholarship Fund	2,067	4,009
Warren Lloyd Holtzman Merit Grant Fund		
Camp Timber Ridge	1,236	
Floyd County	1,236	2,472
Ann and HW Huff, Jr. Family Fund		
Beans & Rice, Inc.	3,000	
Community Housing Partners	2,280	
Emergency Needs Task Force	2,000	
Feeding America SWVA	670	
Hensel Eckman YMCA	2,000	
Med-ride	500	
Mountain View Humane Society	1,460	
New River Community Action	1,000	
New River Valley Agency on Aging	1,120	
Pulaski County Humane Society	2,810	
Virginia Cooperative Extension, Pulaski	1,500	18,340
Hulannie and Kimberlyn Atherton-Jenkins Fund		
Feeding America SWVA	1,000	
Intellectual Disability Agency of the NRV	945	
New River Community Action	285	
University of Florida	2,000	
Warm Hearth Foundation	150	4,380
Homer T. and Beverly A. Hurst Family Endowed Fund		
American Red Cross	1,220	
Bethany Hall Residential Treatment Home	780	
New River Community Action	1,000	3,000
Jacobs Family Fund		
New River Family Shelter	560	560
Kalka Endowment Fund		
Bethany Hall Residential Treatment Home	720	
Warm Hearth Foundation	1,260	1,980
Litschert Family Fund		
Literacy Volunteers of America NRV	1,272	
New River Community Action	1,000	
New River Valley Community Services	468	
Newport Community Action Committee	1,600	
St. Michael Lutheran Church	660	5,000

Fund and recipient	Amount	Fund Total
Loving Care Fund		
Mt. Olivet United Methodist Church	250	
New River Family Shelter	430	
Women's Resource Center	1,500	
Montgomery County Christmas Store	500	2,680
Mental Health Fund		
Mental Health of the New River Valley	400	400
Miller Family Fund		
Brain Injury Services of Southwest Virginia	240	
Holy Family Catholic Church	200	440
Montgomery County Christmas Store Fund		
Montgomery County Christmas Store	400	400
Montgomery County Community Shelter Fund		
New River Family Shelter	400	400
Montgomery County Educational Foundation		
Montgomery County Educational Foundation (Permanent)	2,000	
Belview Elementary School	3,040	
Blacksburg High School	3,000	
Blacksburg Middle School	3,000	
Christiansburg Elementary School	1,000	
Christiansburg Middle School	1,000	
Christiansburg Primary School	1,000	
Eastern Montgomery Elementary School	2,000	
Falling Branch Elementary School	1,000	
Margaret Beeks Elementary School	700	
Montgomery County Public Schools	10,000	27,740
Ellen Moore Memorial Fund		
Community Foundation of the NRV	600	
Rotary Foundation	2,000	2,600
Morikawa Capacity Building Fund		
Habitat for Humanity of the NRV	5,000	
St. Michael Lutheran Church	3,000	8,000
Nancy and Thomas Murray Endowment for Prevent Child Abuse Now		
NRV Cares	380	380
New Mountain Climbers Fund		
Christiansburg High School	300	
St. Paul African Methodist Episcopal	1,000	
Montgomery County Christmas Store	500	
New River Valley Juvenile Detention Home	1,000	
Asbury United Methodist Church	220	
Schaeffer Memorial Baptist Church	220	
Feeding America SWVA	500	
Community Investment Network	223	3,963

<u>Fund and recipient</u>	<u>Amount</u>	<u>Fund Total</u>
New River Valley Fund for Animals Mountain View Humane Society	540	540
Nicholson Family Fund Camp Timber Ridge	500	500
North Family Fund Bethany Hall Residential Treatment Home	500	
Floyd County Schools	500	
NRV Cares	500	
Women's Resource Center	500	2,000
Robert E. and Nadine J. Newcomb Parenting Skills Fund Mental Health Association of the NRV	860	860
Peace Garden Fund YMCA at VA Tech	500	
Blacksburg High School Horticultural Department	400	900
Diana Pickering Memorial Garden Fund Smithfield Plantation	1,279	
Unitarian Universalist Congregation	475	1,754
Plenty Local Fund Warm Hearth Foundation	380	380
Mary P. Risacher Memorial Fund Montgomery Museum & Lewis Miller Regional Art Center	90	
New River Community Action	35	125
Bill and Kathy Sanders Family Fund Harding Avenue Elementary School	390	390
Shuler Family Reading Fund Montgomery Museum & Lewis Miller Regional Art Center	380	380
Smart Beginnings NRV Charitable Endowment Community Foundation of the NRV	633	
Floyd County Cares	100	
New River Community Action	350	
New River Community Services	500	
New River Valley Community Services	500	
NRV Cares	107	
Reach Out and Read Virginia	100	2,290
Speaks Fund Harding Avenue Elementary School	120	
Beans and Rice	1,000	1,120
Stoop Memorial Fund Boys and Girls Clubs of SWVA	560	560

Fund and recipient	Amount	Fund Total
Chris Thompson Charitable Fund		
Feeding America SWVA	12,000	
Nevkit Foundation	1,700	
Sustain Floyd	150	13,850
Chris Thompson Family Endowment		
Friends of Stadium Woods	100	
New River Community Action	5,000	5,100
Margaret and Samuel F. Tollison Family Fund		
Brain Injury Services of Southwest Virginia	237	
Montgomery Museum & Lewis Miller Regional Art Center	203	440
United Way Fund		
United Way of Montgomery, Radford and Floyd	1,400	1,400
Wellness Fund		
New River Valley Agency on Aging	500	500
Winters Family Endowment		
DHS Friends Inc.	1,000	
Intellectual Disability Agency of the NRV	2,000	
New River Community Services	250	
New River Valley Community Services	300	
Special Olympics Virginia Inc.	400	
St. Thomas Episcopal Church	300	4,250
Young Women's Life Experiences Fund		
Camp Timber Ridge	350	
Virginia Tech Foundation	300	650
Total grants disbursed		\$ 217,304

12. SCHOLARSHIPS

During the current year, the Foundation disbursed various college and university scholarships from the following funds:

General Endowment Fund	\$ 4,902
Jackson S. Copenhaver Legacy Fund	37,492
Ray E. and Mary B. Epperly Family Fund	3,000
Endowment for Giles County	300
Hurst Family Fund	2,000
Francis Endowment Fund	1,000
HMM Miami High School Scholarship Fund	3,000
Freedom Scholarship Fund	2,036
Auxiliary of Radford Community Hospital Fund	500
T. Scott Eaton Memorial Scholarship	1,000
Rutrough Memorial Scholarship Fund	8,000
Hall Memorial Scholarship Fund	1,000
Gwazdauskas Memorial Scholarship Fund	1,000
King-Peters Memorial Scholarship Fund	1,000

Mandelstamm Scholarship Fund	1,600
A. Phillip Meadows Leadership Scholarship	340
Plummer Family Scholarship Fund	3,000
Rhudy Memorial Scholarship Fund	3,000
Eric E Sutphin Memorial Scholarship Fund	2,500
Turman Scholarship Fund	500
Virginia Tech Faculty Women's Club Scholarship Fund	2,000
Wings	2,000
Skip Bishop Scholarship Fund	480
Casey Jones Memorial Scholarship Fund	1,000
	<u>\$ 82,650</u>