



AMERICAN LEGION AUXILIARY

*F*OUNDATION

(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

FINANCIAL STATEMENTS

SEPTEMBER 30, 2020 AND 2019



AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

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4181 E. 96th Street, Suite 180
Indianapolis, IN 46240
Phone: 317.569.4181
Toll Free: 888.922.4941
www.alerdingcpagroup.cpa

INDEPENDENT AUDITOR'S REPORT

Board of Directors
American Legion Auxiliary Foundation, Inc.
Indianapolis, Indiana

We have audited the accompanying financial statements of the American Legion Auxiliary Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of September 30, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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 of 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 American Legion Auxiliary Foundation, Inc. as of September 30, 2020 and 2019, and its changes in net assets, functional expenses, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matter

As discussed in Note 1 to the financial statements, the Foundation is an affiliate of the American Legion Auxiliary National Headquarters (the "Auxiliary"), was organized by the Auxiliary, and operates exclusively for the benefit of, and to assist in carrying out, the educational, charitable, and other exempt purposes of the Auxiliary. In a separate document, the Foundation presents its financial statements on a consolidated basis with those of the Auxiliary. The accompanying financial statements include only the accounts and disclosures related to the Foundation.

Alending CPA Group

February 3, 2021

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Assets:		
Cash	\$ 574,567	\$ 617,137
Investments	<u>1,646,489</u>	<u>1,302,855</u>
Total assets	<u>\$ 2,221,056</u>	<u>\$ 1,919,992</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 102,246	\$ 80,589
Deferred income	5,000	-0-
Due to related party, net	<u>2,100</u>	<u>22,716</u>
Total liabilities	<u>109,346</u>	<u>103,305</u>
Net Assets:		
Without donor restrictions	11,941	11,941
With donor restrictions	<u>2,099,769</u>	<u>1,804,746</u>
Total net assets	<u>2,111,710</u>	<u>1,816,687</u>
Total liabilities and net assets	<u>\$ 2,221,056</u>	<u>\$ 1,919,992</u>

See accompanying Notes to Financial Statements.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED SEPTEMBER 30, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2020 Total</u>	<u>2019 Total</u>
Revenue and Support:				
Contributions	\$ 2,550	\$ 433,720	\$ 436,270	\$ 516,972
In-kind contributions	<u>177,240</u>	<u>-0-</u>	<u>177,240</u>	<u>255,465</u>
	179,790	433,720	613,510	772,437
Net Assets Released from Donor Restrictions	<u>246,825</u>	<u>(246,825)</u>	<u>-0-</u>	<u>-0-</u>
Total revenue and support	<u>426,615</u>	<u>186,895</u>	<u>613,510</u>	<u>772,437</u>
Expenses:				
Program services	151,065	-0-	151,065	166,871
Management and general	93,383	-0-	93,383	106,537
Fundraising	<u>182,167</u>	<u>-0-</u>	<u>182,167</u>	<u>203,667</u>
Total expenses	<u>426,615</u>	<u>-0-</u>	<u>426,615</u>	<u>477,075</u>
Change in net assets from operations	-0-	186,895	186,895	295,362
Investment Income, Net of Expenses	<u>-0-</u>	<u>108,128</u>	<u>108,128</u>	<u>40,743</u>
Change in net assets	-0-	295,023	295,023	336,105
Net Assets, Beginning of Year	<u>11,941</u>	<u>1,804,746</u>	<u>1,816,687</u>	<u>1,480,582</u>
Net Assets, End of Year	<u>\$ 11,941</u>	<u>\$ 2,099,769</u>	<u>\$ 2,111,710</u>	<u>\$ 1,816,687</u>

See accompanying Notes to Financial Statements.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED SEPTEMBER 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Contributions	\$ -0-	\$ 516,972	\$ 516,972
In-kind contributions	255,465	-0-	255,465
	255,465	516,972	772,437
Net Assets Released from Donor Restrictions	221,610	(221,610)	-0-
Total revenue and support	477,075	295,362	772,437
Expenses:			
Program services	166,871	-0-	166,871
Management and general	106,537	-0-	106,537
Fundraising	203,667	-0-	203,667
Total expenses	477,075	-0-	477,075
Change in net assets from operations	-0-	295,362	295,362
Investment Income, Net of Expenses	-0-	40,743	40,743
Change in net assets	-0-	336,105	336,105
Net Assets, Beginning of Year	11,941	1,468,641	1,480,582
Net Assets, End of Year	\$ 11,941	\$ 1,804,746	\$ 1,816,687

See accompanying Notes to Financial Statements.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2020 Total</u>	<u>2019 Total</u>
Grants and scholarships	\$ 132,086	\$ 2,550	\$ -0-	\$ 134,636	\$ 131,520
Personnel and related benefits	18,487	67,636	47,217	133,340	151,600
Professional services and fees	-0-	8,230	23,626	31,856	67,684
Travel, conferences and meetings	-0-	11,065	1,032	12,097	26,109
General operating expenses	-0-	3,420	5,566	8,986	11,745
Printing, publicity and awards	-0-	340	65,100	65,440	54,002
Postage and freight	<u>492</u>	<u>142</u>	<u>39,626</u>	<u>40,260</u>	<u>34,415</u>
Total expenses	<u>\$ 151,065</u>	<u>\$ 93,383</u>	<u>\$ 182,167</u>	<u>\$ 426,615</u>	<u>\$ 477,075</u>

See accompanying Notes to Financial Statements.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2019

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Grants and scholarships	\$ 131,520	\$ -0-	\$ -0-	\$ 131,520
Personnel and related benefits	25,742	70,076	55,782	151,600
Professional services and fees	8,939	23,777	34,968	67,684
Travel, conferences and meetings	-0-	9,404	16,705	26,109
General operating expenses	-0-	2,888	8,857	11,745
Printing, publicity and awards	-0-	205	53,797	54,002
Postage and freight	<u>670</u>	<u>187</u>	<u>33,558</u>	<u>34,415</u>
Total expenses	<u>\$ 166,871</u>	<u>\$ 106,537</u>	<u>\$ 203,667</u>	<u>\$ 477,075</u>

See accompanying Notes to Financial Statements.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 295,023	\$ 336,105
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized losses on investments	443	1,298
Net unrealized gains on investments	(67,747)	(8,410)
Changes in operating assets and liabilities:		
Other assets	-0-	2,000
Accounts payable	21,657	(8,923)
Deferred income	5,000	-0-
Due to related party, net	(20,616)	(41,142)
Net cash provided by operating activities	<u>233,760</u>	<u>280,928</u>
Cash Flows From Investing Activities:		
Proceeds from sale of investments	24,049	24,311
Purchase of investments	<u>(300,379)</u>	<u>(206,611)</u>
Net cash used in investing activities	<u>(276,330)</u>	<u>(182,300)</u>
Net Increase (Decrease) in Cash	(42,570)	98,628
Cash, Beginning of Year	<u>617,137</u>	<u>518,509</u>
Cash, End of Year	<u>\$ 574,567</u>	<u>\$ 617,137</u>

See accompanying Notes to Financial Statements.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019

1. SIGNIFICANT ACCOUNTING POLICIES

Description of the Entity

The American Legion Auxiliary Foundation, Inc. (the "Foundation") was incorporated on September 27, 2007 as a not-for-profit entity under the State of Indiana Not-For-Profit Incorporation Act. The Foundation was organized by the American Legion Auxiliary National Headquarters (the "Auxiliary"), a not-for-profit entity headquartered in Indianapolis, Indiana. The Foundation operates exclusively for the benefit of the Auxiliary and assists in fundraising and offers support in carrying out the educational, charitable, and other programs sponsored by the Auxiliary.

The significant accounting policies followed by the Foundation in the preparation of its financial statements are summarized below:

Financial Reporting

The accounts of the Foundation are reported on a consolidated basis with those of the Auxiliary in a separate document. The accompanying financial statements include only the accounts and disclosures related to the Foundation. Related party transactions with the Auxiliary are reported in Note 6.

Basis of Presentation

The Foundation utilizes the principles of fund accounting in the preparation of its financial statements. Therefore, net assets and revenues, expenses, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. The Foundation uses the following accounts to distinguish among restrictions:

Net Assets Without Donor Restrictions

Net assets without donor restrictions include all contributions received, without donor restrictions, and revenues and expenses for the general operation of the Foundation.

Net Assets With Donor Restrictions

Net assets with donor restrictions include contributions that have donor-imposed restrictions that limit the use of the donated assets. When a donor's restriction is met, restricted net assets are reclassified to net assets without donor restrictions through the release of restrictions in the Statements of Activities and Changes in Net Assets. Assets held in perpetuity are held for the donor-designated purposes of the endowment. The net earnings from these investments and all non-restricted contributions are available for release to the without donor restriction fund.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
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NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires Management to make estimates and assumptions that affect the reported amounts in the financial statements and notes to the financial statements. Actual results could differ from those estimates.

Investments and Investment Return

The Foundation's investments are valued at fair value and have a readily determinable fair value. Investment return includes dividends, interest, fees, and realized and unrealized gains and losses on investments carried at fair value.

Support and Revenue Recognition

The Foundation records unconditional promises to give at the earlier of the date the promise is given or payment is received. The gifts are reported as support with or without donor restrictions depending upon the presence of donor stipulations that limit the use of the donated assets. Contributions raised through direct mail campaigns are reported at the gross amount received.

Functional Expenses

The costs of providing programs and other activities are summarized in the Statements of Functional Expenses. Costs are allocated among Program, Management and General, and Fundraising based on Management's estimates of time spent by employees, space utilization, or another rational basis.

Income Taxes

The Foundation is organized as a not-for-profit corporation and, accordingly, is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code.

Management of the Foundation evaluates all significant tax positions to ensure compliance with the exempt purposes of the Foundation as required by U.S. GAAP, including consideration of any unrelated business income tax. As of September 30, 2020, Management does not believe the Foundation has taken any tax positions that are not in compliance with its exempt purpose. The Foundation's Federal and state tax returns remain open and subject to examination beginning with the tax year ended September 30, 2017.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
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NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2020 AND 2019

Subsequent Events

Subsequent events have been evaluated through February 3, 2021 which is the date the financial statements were available for issuance.

2. LIQUIDITY AND AVAILABILITY

The following reflects the Foundation's financial assets as of September 30, 2020 and 2019, reduced by amounts not available for general use within one year from the date of the Statements of Financial Position:

	<u>2020</u>	<u>2019</u>
Financial Assets:		
Cash	\$ 574,567	\$ 617,137
Investments	<u>1,646,489</u>	<u>1,302,855</u>
	<u>2,221,056</u>	<u>1,919,992</u>
Less amounts not available to be used for general expenditure within one year:		
Donor restricted funds	(349,027)	(315,809)
Donor restricted endowment	<u>(1,750,742)</u>	<u>(1,488,937)</u>
	<u>(2,099,769)</u>	<u>(1,804,746)</u>
Financial assets available to meeting cash needs for general expenditures within one year	<u>\$ 121,287</u>	<u>\$ 115,246</u>

The Foundation's liquidity objective is to maintain adequate liquid assets to fund near-term operating needs and maintain sufficient reserves to provide reasonable assurance that obligations will be discharged as they become due.

The Foundation is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, these financial assets may not be available for general expenditure within one year and are included in amounts not available to be used within one year above.

Investment income from the donor-restricted endowment is classified within donor restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by the Uniform Prudent Management of Institutional Funds Act ("UPMIFA").

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2020 AND 2019

3. INVESTMENTS AND INVESTMENT RETURN

A summary of the Foundation's investments as of September 30, 2020 and 2019 is as follows:

	2020		2019	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Investments:				
Money market funds	\$ 57,551	\$ 57,551	\$ 36,603	\$ 36,603
Exchange traded funds	521,348	736,800	430,714	589,403
Mutual funds	835,643	852,138	671,338	676,849
Total investments	<u>\$ 1,414,542</u>	<u>\$ 1,646,489</u>	<u>\$ 1,138,655</u>	<u>\$ 1,302,855</u>

The fair values of the Foundation's investments are measured by Level 1 inputs in accordance with U.S. GAAP, defined as quoted prices in active markets for identical investments that can be accessed as of the measurement date.

The asset's and liability's fair value measurement within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for the Foundation's investments measured at fair value as of September 30, 2020 and 2019. There have been no changes in the methodologies used as of September 30, 2020.

Exchange Traded Funds: Valued at the daily closing prices as reported by the fund. Exchange traded funds are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV"); however, the funds trade on stock exchanges throughout the day, thus the transaction price could differ from the NAV.

Mutual Funds: Valued at the daily closing prices as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds and are registered with the Securities and Exchange Commission. These funds are required to publish their NAV and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded. A money market fund is an open-ended fund that invests in short-term debt securities and commercial paper.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
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NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2020 AND 2019

Investment income for the years ended September 30, 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 42,157	\$ 34,683
Investment fees	(1,333)	(1,052)
Net realized losses	(443)	(1,298)
Net unrealized gains	<u>67,747</u>	<u>8,410</u>
Total investment income	<u>\$ 108,128</u>	<u>\$ 40,743</u>

4. DONOR RESTRICTED NET ASSETS

Net assets with donor restrictions are available for the following purposes at September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for a specific purpose:		
Veteran Projects Fund	\$ 205,124	\$ 185,758
National and Local Veteran Creative Arts Festival(s) Mission	140,188	126,336
	<u>3,715</u>	<u>3,715</u>
	<u>349,027</u>	<u>315,809</u>
Endowment:		
Held in perpetuity	1,485,992	1,316,550
Undistributed endowment earnings	264,750	172,387
	<u>1,750,742</u>	<u>1,488,937</u>
Total net assets with donor restrictions	<u>\$ 2,099,769</u>	<u>\$ 1,804,746</u>

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
(AN AFFILIATE OF THE AMERICAN LEGION AUXILIARY NATIONAL HEADQUARTERS)

NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2020 AND 2019

5. NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets released from donor restrictions during 2020 and 2019, due to the satisfaction of the donor-imposed restriction or by occurrence of other events specified by the donors, are as follows:

	<u>2020</u>	<u>2019</u>
Endowment distributions in support of Auxiliary operations	\$ 14,731	\$ 30,606
Veteran Projects Fund Grants	42,087	86,204
National and Local Veteran Creative Arts Festival(s)	47,520	7,350
Auxiliary mission sub-grants to ALA National and ALA Departments, Districts, and Units	27,750	7,400
Costs of direct mail campaigns	114,737	90,050
	<u>\$ 246,825</u>	<u>\$ 221,610</u>

6. RELATED PARTY TRANSACTIONS

During the years ended September 30, 2020 and 2019, the Foundation received contributions of \$177,240 and \$255,465 from the Auxiliary to fund certain organizational and other costs incurred by the Foundation. In addition, the Foundation granted \$42,150 and \$22,716 to the Auxiliary in 2020 and 2019, respectively, for program support, and the Foundation granted \$92,487 and \$108,804 in 2020 and 2019, respectively, to affiliated Auxiliary departments and units.

7. AMERICAN LEGION AUXILIARY FOUNDATION ALA MISSION
 ENDOWMENT

Composition of Endowment Net Assets

The Foundation created the ALA Mission Endowment Fund (the "Mission Endowment") in 2007 to generate and maximize funds available to benefit and assist in carrying out the educational, charitable and similar programs of the Auxiliary over the long term. The Mission Endowment consists entirely of donor-designated funds held in cash and investments.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
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NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019

Endowment net assets at September 30, 2020 and 2019 include the following:

	<u>2020</u>	<u>2019</u>
Historic gift value	\$ 1,316,550	\$ 1,063,255
Accumulated earnings	<u>172,387</u>	<u>165,316</u>
Endowment net assets, beginning of year	<u>1,488,937</u>	<u>1,228,571</u>
Additions to endowment, net	169,442	253,295
Endowment distributions	(14,731)	(30,606)
Interest and dividends, net of fees	39,790	30,565
Realized gains (losses)	(443)	(1,298)
Unrealized gains	<u>67,747</u>	<u>8,410</u>
Change in endowment net assets	<u>261,805</u>	<u>260,366</u>
Endowment net assets, end of year	<u>\$ 1,750,742</u>	<u>\$ 1,488,937</u>
Historic gift value	\$ 1,485,992	\$ 1,316,550
Accumulated earnings	<u>264,750</u>	<u>172,387</u>
Endowment net assets, end of year	<u>\$ 1,750,742</u>	<u>\$ 1,488,937</u>

Governing Board's Interpretation of Relevant Law

The Foundation, incorporated in and governed by the laws of the State of Indiana, has interpreted the Indiana statute UPMIFA, enacted in 2007, to require the preservation of the fair value of the original gift as of the date of the gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary, and to not require the maintenance of purchasing power. As a result of this interpretation, the Foundation classifies as donor-restricted net assets: (a) the original value of gifts donated to the donor-restricted endowment; (b) the original value of subsequent gifts to the donor-restricted endowment; and (c) accumulations to the donor-restricted endowment 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 donor-restricted endowment funds is available to be appropriated for expenditure by the Foundation.

Endowment Draws

Endowment draws during the years ending September 30, 2020 and 2019 were \$14,731 and \$30,606, respectively.

AMERICAN LEGION AUXILIARY FOUNDATION, INC.
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NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019

The Foundation has adopted a spending policy relating to future endowment draws. The available endowment draw for each fiscal year beginning October 1 shall be limited to an amount determined by applying a 5% rate to the three-year rolling average market value for the period ending the preceding May 31. The actual endowment draw will be recommended by the American Legion Auxiliary Foundation Board to the National Finance Committee during the annual budgeting process for approval by the National Executive Committee. Should the Foundation Board deem it advisable to exceed the 5% limit, the change must be approved by the National Executive Committee.

8. CONCENTRATIONS

The Foundation maintains cash in bank deposit accounts which, at times, may exceed Federally insured limits. The Foundation has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.