



INDIANAPOLIS-MARION COUNTY PUBLIC  
LIBRARY FOUNDATION, INC.  
d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION

FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

*CPAs / ADVISORS*



**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

**TABLE OF CONTENTS  
DECEMBER 31, 2024 AND 2023**

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	Page
<b>Report of Independent Auditors .....</b>	<b>1</b>
 <b>Financial Statements</b>	
Statements of Financial Position .....	3
Statements of Activities .....	4
Statements of Functional Expenses.....	6
Statements of Cash Flows .....	8
Notes to Financial Statements .....	9

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## REPORT OF INDEPENDENT AUDITORS

Board of Directors  
Indianapolis-Marion County  
Public Library Foundation, Inc.  
d/b/a The Indianapolis Public Library Foundation  
Indianapolis, Indiana

### Opinion

We have audited the accompanying financial statements of Indianapolis-Marion County Public Library Foundation, Inc. d/b/a The Indianapolis Public Library Foundation (the Foundation), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

**REPORT OF INDEPENDENT AUDITORS**  
**(Continued)**

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

**Blue & Co., LLC**

Carmel, Indiana  
April 28, 2025

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2024 AND 2023

**ASSETS**

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 3,140,599	\$ 2,570,164
Prepaid expenses	45,852	24,058
Investments	11,382,861	10,688,747
Due from library	20,053	28,369
Pledges receivable, net	161,085	221,065
Other assets	40,697	41,164
Property and equipment, net	2,252	3,800
Beneficial interest in assets held by others	<u>11,401,978</u>	<u>10,633,703</u>
	<u><u>\$ 26,195,377</u></u>	<u><u>\$ 24,211,070</u></u>

**LIABILITIES AND NET ASSETS**

Liabilities		
Accounts payable	\$ 12,474	\$ 2,781
Accrued expenses	<u>43,418</u>	<u>40,373</u>
Total liabilities	55,892	43,154
Net assets		
Without donor restrictions	4,860,344	4,439,983
With donor restrictions		
Purpose and time	7,561,754	6,906,285
Endowment	<u>13,717,387</u>	<u>12,821,648</u>
	<u>21,279,141</u>	<u>19,727,933</u>
Total net assets	<u><u>26,139,485</u></u>	<u><u>24,167,916</u></u>
	<u><u>\$ 26,195,377</u></u>	<u><u>\$ 24,211,070</u></u>

*See accompanying notes to financial statements.*

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024  
(With Comparative Total for the Year Ended December 31, 2023)

	2024					2023
	With Donor Restrictions					
	Without Donor Restrictions	Purpose and Time	Endowment	Total With Donor Restrictions	Total	Total
<b>Revenues, gains, and support</b>						
Contributions, net	\$ 466,000	\$ 1,731,714	\$ 60,232	\$ 1,791,946	\$ 2,257,946	\$ 2,047,872
Book sales	212,607	-0-	-0-	-0-	212,607	230,086
Dividends and interest, net	268,449	144,822	80,006	224,828	493,277	301,242
Realized and unrealized gains on investments, net	364,195	300,302	160,619	460,921	825,116	1,184,946
Change in value of beneficial interest in assets held by others	16,661	-0-	1,249,891	1,249,891	1,266,552	1,053,522
	<u>1,327,912</u>	<u>2,176,838</u>	<u>1,550,748</u>	<u>3,727,586</u>	<u>5,055,498</u>	<u>4,817,668</u>
Net assets released from restrictions	<u>2,176,378</u>	<u>(1,521,369)</u>	<u>(655,009)</u>	<u>(2,176,378)</u>	<u>-0-</u>	<u>-0-</u>
Total revenues, gains and support	3,504,290	655,469	895,739	1,551,208	5,055,498	4,817,668
<b>Expenses</b>						
Program services	2,130,667	-0-	-0-	-0-	2,130,667	2,386,413
Management and general	413,448	-0-	-0-	-0-	413,448	370,079
Fundraising	<u>539,814</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>539,814</u>	<u>536,868</u>
Total expenses	<u>3,083,929</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>3,083,929</u>	<u>3,293,360</u>
<b>Change in net assets</b>	420,361	655,469	895,739	1,551,208	1,971,569	1,524,308
<b>Net assets, beginning of year</b>	<u>4,439,983</u>	<u>6,906,285</u>	<u>12,821,648</u>	<u>19,727,933</u>	<u>24,167,916</u>	<u>22,643,608</u>
<b>Net assets, end of year</b>	<u>\$ 4,860,344</u>	<u>\$ 7,561,754</u>	<u>\$ 13,717,387</u>	<u>\$ 21,279,141</u>	<u>\$ 26,139,485</u>	<u>\$ 24,167,916</u>

*See accompanying notes to financial statements.*

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023

		With Donor Restrictions			
	Without Donor Restrictions	Purpose and Time	Endowment	Total With Donor Restrictions	Total
<b>Revenues, gains, and support</b>					
Contributions, net	\$ 421,857	\$ 1,536,126	\$ 89,889	\$ 1,626,015	\$ 2,047,872
Book sales	230,086	-0-	-0-	-0-	230,086
Dividends and interest, net	173,657	84,193	43,392	127,585	301,242
Realized and unrealized gains on investments, net	515,161	439,396	230,389	669,785	1,184,946
Change in value of beneficial interest in assets held by others	13,765	-0-	1,039,757	1,039,757	1,053,522
	<u>1,354,526</u>	<u>2,059,715</u>	<u>1,403,427</u>	<u>3,463,142</u>	<u>4,817,668</u>
Net assets released from restrictions	<u>2,206,743</u>	<u>(1,578,947)</u>	<u>(627,796)</u>	<u>(2,206,743)</u>	<u>-0-</u>
Total revenues, gains and support	3,561,269	480,768	775,631	1,256,399	4,817,668
<b>Expenses</b>					
Program services	2,386,413	-0-	-0-	-0-	2,386,413
Management and general	370,079	-0-	-0-	-0-	370,079
Fundraising	536,868	-0-	-0-	-0-	536,868
Total expenses	<u>3,293,360</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>3,293,360</u>
<b>Change in net assets</b>	267,909	480,768	775,631	1,256,399	1,524,308
<b>Net assets, beginning of year</b>	<u>4,172,074</u>	<u>6,425,517</u>	<u>12,046,017</u>	<u>18,471,534</u>	<u>22,643,608</u>
<b>Net assets, end of year</b>	<u>\$ 4,439,983</u>	<u>\$ 6,906,285</u>	<u>\$ 12,821,648</u>	<u>\$ 19,727,933</u>	<u>\$ 24,167,916</u>

See accompanying notes to financial statements.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024

(With Comparative Total for the Year Ended December 31, 2023)

	2024				2023
	Program Services	Management and General	Fundraising	Total	Total
Grants and program support for:					
Adult and lifelong learning	\$ 131,896	\$ -0-	\$ -0-	\$ 131,896	\$ 91,615
Children's initiatives	727,803	-0-	-0-	727,803	477,102
Collections and information technology	644,925	-0-	-0-	644,925	1,142,125
Cultural and community	248,105	-0-	-0-	248,105	328,446
Lectures	22,302	-0-	-0-	22,302	28,679
Library materials, branch projects, and other programs	208,731	-0-	-0-	208,731	202,834
Recognitions	68,037	-0-	-0-	68,037	38,313
Foundation fundraising events	-0-	-0-	40,019	40,019	34,909
Salaries and wages	58,055	198,977	323,516	580,548	584,978
Employee benefits and taxes	20,813	73,294	114,013	208,120	188,013
Branding and marketing	-0-	-0-	2,322	2,322	2,482
Donor cultivation	-0-	-0-	20,467	20,467	27,418
Printing and mailing	-0-	4,023	19,361	23,384	15,105
Computer maintenance	-0-	9,339	13,158	22,497	20,360
Travel and parking	-0-	-0-	1,232	1,232	1,412
Office expense	-0-	2,373	-0-	2,373	720
Insurance	-0-	8,459	-0-	8,459	9,088
Professional fees	-0-	59,511	-0-	59,511	41,620
Payroll and human resources service	-0-	7,178	-0-	7,178	7,260
Allowance for doubtful accounts	-0-	1,244	-0-	1,244	10,408
Training and membership dues	-0-	9,297	-0-	9,297	8,917
Miscellaneous	-0-	9,947	-0-	9,947	2,248
Depreciation	-0-	1,548	-0-	1,548	1,548
Annual meeting dinner	-0-	-0-	3,170	3,170	2,272
Consulting	-0-	28,258	2,556	30,814	25,488
Total expenses	<u>\$ 2,130,667</u>	<u>\$ 413,448</u>	<u>\$ 539,814</u>	<u>\$ 3,083,929</u>	<u>\$ 3,293,360</u>

*See accompanying notes to financial statements.*



**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2023

	2023			
	Program Services	Management and General	Fundraising	Total
Grants and program support for:				
Adult and lifelong learning	\$ 91,615	\$ -0-	\$ -0-	\$ 91,615
Children's initiatives	477,102	-0-	-0-	477,102
Collections and information technology	1,142,125	-0-	-0-	1,142,125
Cultural and community	328,446	-0-	-0-	328,446
Lectures	28,679	-0-	-0-	28,679
Library materials, branch projects, and other programs	202,834	-0-	-0-	202,834
Recognitions	38,313	-0-	-0-	38,313
Foundation fundraising events	-0-	-0-	34,909	34,909
Salaries and wages	58,498	190,140	336,340	584,978
Employee benefits and taxes	18,801	61,954	107,258	188,013
Branding and marketing	-0-	-0-	2,482	2,482
Donor cultivation	-0-	-0-	27,418	27,418
Printing and mailing	-0-	2,525	12,580	15,105
Computer maintenance	-0-	8,163	12,197	20,360
Travel and parking	-0-	-0-	1,412	1,412
Office expense	-0-	720	-0-	720
Insurance	-0-	9,088	-0-	9,088
Professional fees	-0-	41,620	-0-	41,620
Payroll and human resources service	-0-	7,260	-0-	7,260
Allowance for doubtful accounts	-0-	10,408	-0-	10,408
Training and membership dues	-0-	8,917	-0-	8,917
Miscellaneous	-0-	2,248	-0-	2,248
Depreciation	-0-	1,548	-0-	1,548
Annual meeting dinner	-0-	-0-	2,272	2,272
Consulting	-0-	25,488	-0-	25,488
Total expenses	<u>\$ 2,386,413</u>	<u>\$ 370,079</u>	<u>\$ 536,868</u>	<u>\$ 3,293,360</u>

*See accompanying notes to financial statements.*

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Operating activities</b>		
Change in net assets	\$ 1,971,569	\$ 1,524,308
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	1,548	1,548
Change in present value discount on pledges receivable	(5,880)	(6,136)
Realized and unrealized gains on investments, net	(825,116)	(1,184,946)
Change in value of beneficial interest in assets held by others	(1,266,552)	(1,053,522)
Contributions restricted for investment in endowment	(87,565)	(96,605)
Changes in operating assets and liabilities:		
Due from Library	8,316	(21,514)
Pledges receivable	65,860	84,402
Prepaid expenses and other assets	(21,327)	(3,533)
Accounts payable and accrued expenses	12,738	(13,591)
Net cash flows from operating activities	(146,409)	(769,589)
<b>Investing activities</b>		
Proceeds from sale of investments	2,455,092	1,960,443
Purchase of investments	(2,324,090)	(1,606,054)
Distributions from CICF	576,068	553,214
Transfer of funds to CICF	(77,791)	(30,881)
Net cash flows from investing activities	629,279	876,722
<b>Financing activities</b>		
Contributions restricted for investment in endowment	87,565	96,605
Net cash flows from financing activities	87,565	96,605
<b>Change in cash and cash equivalents</b>	570,435	203,738
<b>Cash and cash equivalents, beginning of year</b>	2,570,164	2,366,426
<b>Cash and cash equivalents, end of year</b>	\$ 3,140,599	\$ 2,570,164

*See accompanying notes to financial statements.*

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

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**1. NATURE OF ACTIVITIES**

The Indianapolis-Marion County Public Library Foundation, Inc., doing business as The Indianapolis Public Library Foundation (Foundation), was incorporated in Indiana in 1969.

Its mission is to partner with donors to enrich lives, foster lifelong learning and engage our diverse community through The Indianapolis Public Library (IndyPL). Support for the Foundation is derived from contributions, grants, sponsorships, book sales and investment income. Thanks to the Foundation's support, all Library programs are free and open to the public throughout the city, including in historically underserved areas. Main program service areas include:

**Adult and Lifelong Learning Programs**

These programs bolster workplace skills, offer training on the latest technology, provide outlets for pursuing hobbies, exploring topics of interest, and gathering with fellow community members.

Major examples of programs include:

- **Job Center:** Adults needing support in job searches, resume writing and more can meet with dedicated staff at the East Thirty-Eighth Street Branch for assistance.
- **Digital Literacy:** Programs include computer classes taught in Spanish and English, as well as workshops at a variety of skill levels for adults to explore coding.
- **Seed Library:** Patrons interested in learning more about gardening can receive free flower, fruit, vegetable, and herb seeds from their local library branch. In 2024, almost 95,000 seed packets were distributed throughout the IndyPL network.
- **Other Programs:** Workshops on gardening, cooking, personal finance, and health are examples of other lifelong learning opportunities provided by the Library.

**Children's Initiatives**

These programs and outreach efforts are designed to help children become more capable, enthusiastic readers and to support healthy social, emotional, and physical development. Offered at all 25 Library locations throughout the city, these programs are highly accessible and reach underserved audiences, as 21% of Marion County children younger than age 18 live in poverty.

Examples of major children's programs are:

- **Summer Reading Program:** This program, which rewards children for reading over the summer months, enrolled 22,000 youth participants who read more than 16 million minutes. Its goal is to counter summer learning loss.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

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- **On the Road to Reading:** Each month, the Library provides story programs to approximately 60 home and faith-based daycares in low and moderate income areas. Each session consists of a story program and a delivery of bags filled with picture books for children to enjoy between visits, as well as early literacy professional development for childcare providers.
- **Preschool Packaged Programs:** Preschool children engage in learning through interactive activities. Preschool programs allow children and preschoolers to experience art, music, sports and more. Reading Ready Time videos often engage many of the same presenters to do recorded programs for childcare centers and classrooms that cannot attend in-person programs.
- **Early Literacy Staff:** Private funds support the Library's Herbert Simon Early Literacy Specialist who oversees and evaluates childhood literacy programming, as well as part-time Outreach staff who implement On the Road to Reading.
- **Fall Fest:** Hosted in October, this annual festival creates a positive atmosphere that encourages reading and literacy for families. Local students grades 7-12 are invited to submit poems based on the annual theme. Ten teens are then selected to read their poems for the Fall Fest audience. This event also features an African American keynote speaker who serves as an inspirational role model for teen attendees as well as other interactive sessions.
- **Bunny Bags:** Bunny Bags are bags full of age-appropriate picture books for early readers that can be checked out by both individuals and childcare centers.

**Collections and Information Technology**

The Foundation funds special collections and technology to help the Library provide resources for patrons. Major examples include:

- **Marion County Internet Library:** A collection of online databases the Library administers and shares with the public, high school media centers, and university libraries throughout the city.
- **Encyclopedia of Indianapolis:** The Library continues developing and expanding this interactive online resource about Indianapolis' past and present.
- **Device Lending:** To help bridge the digital divide, the Foundation supports device lending at several library locations across the city. Library patrons can check out Wi-Fi hotpots, Chromebooks or both to use at home for job searches, educational needs and more.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
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NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

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**Cultural and Community Programs**

The Foundation funds Library programs that highlight the cultures and communities in Indianapolis. Examples of major programs include:

- **Meet the Artists:** This two-month exhibition of local and regional Black artists celebrates African American culture and heritage. The exhibit's well attended gala features live performances, a fashion show and an opportunity to speak with the featured artists.
- **Concert Series:** Musicians from local ensembles perform concerts throughout the year at Central Library and select branches, exposing patrons to a variety of musical styles.
- **Center for Black Literature & Culture:** A dedicated space at Central Library celebrates the vibrant heritage and triumphs of those born of African roots while providing a place for all who are interested in exploring this rich culture through collections, resources and programs.
- **World Language Programs:** Non-native English speakers can improve their literacy skills through several programs, including Pathways to Literacy and Conversation Circles.
- **Social Work:** The social work team provides referrals for socioeconomically disadvantaged patrons to resources and organizations geared toward low-income households, offering assistance for housing, transportation, basic needs, mental health, and more.

**Library Materials, Branch Projects and Other Programs**

The Foundation provides support for individual library locations (Central Library and each branch), and other enhancements to Library programs. In addition, the Foundation provides support for some professional development opportunities for Library staff.

**Recognitions (Volunteer & Staff Stewardship)**

The Foundation funds activities to show appreciation for Library volunteers and staff for their contributions and efforts throughout the year.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

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

Net assets without donor restrictions – Net assets without donor restrictions are resources available to support operations. The only limits on the use of such net assets are the broad limits resulting from the nature of the Foundation, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of business.

Net assets with donor restrictions – Net assets with donor restrictions are net assets subject to donor stipulations for specific operating purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with investment return available for operations or specific purposes.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The Foundation considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents, but excludes cash equivalents held by various fund managers which are included in investments. Cash equivalents are carried at cost, which approximates fair value, and primarily consist of bank savings accounts.

Investments and Investment Return

Investments having a readily determinable market value are carried at fair value. Realized gains or losses upon the sale of investments are based on the cost of specifically identified securities.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

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Changes in unrealized appreciation or depreciation of investments are reflected in the Statements of Activities as unrealized gains or losses in the period in which such changes occur. Dividend and interest income is recorded when earned.

The Foundation maintains an investment pool for its endowments and other invested funds. Dividends and interest and realized and unrealized gains and losses from securities are allocated to the individual endowments or other funds based on the relationship of the market value of each endowment or fund to the total market value of the investment pool, as adjusted for additions or deductions from those accounts.

Pledges Receivable

Unconditional promises to give are carried at net realizable value, discounted to present value using United States Treasury Bill rates with maturities commensurate to the time period of expected collection of the pledges. Amortization of the discount is included in contributions.

Management estimates an allowance for uncollectible pledges based on an evaluation of historical losses, current economic conditions, and other factors unique to its donor base. Periodically, management reviews pledges receivable, records an allowance based on current circumstances, and charges off the receivable against the allowance when all attempts to collect the receivable are deemed to have failed in accordance with the Foundation's collection policy. Management has estimated and recorded an allowance for uncollectible pledges of \$3,000 at both December 31, 2024 and 2023.

Property and Equipment

The Foundation capitalizes all significant purchases of property and equipment at cost. Costs of ordinary maintenance and repairs are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to seven years.

Gifts of property and equipment are recorded as support at fair value at the date of donation. Such gifts are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose or stipulated how long those assets must be used.

Beneficial Interest in Assets Held by Others

The beneficial interest in assets held by others in the Statements of Financial Position represents the Foundation's interest in twelve (eleven at December 31, 2023) designated endowment funds held at Central Indiana Community Foundation (CICF) (Note 6). This asset is increased with additional deposits by the Foundation to the endowments or by new contributions to the endowments, and is decreased by distributions from the endowments to the Foundation. The change in value of beneficial interest in assets held by others in the Statements of Activities includes realized and unrealized gains and losses, dividends and interest, and administration and investment fees allocated to each fund by CICF.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

---

Accounting for Contributions

The Foundation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions, consistent with the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due unless the contribution is clearly intended to support activities of the current fiscal year or is received with permanent restrictions.

Book Sales Revenue Recognition

Revenue from book sales is recognized at the point of sale, when control of the book/material is transferred to the customer.

Functional Allocation of Expenses

The costs of providing the programs and services of the Foundation have been summarized on a functional basis in the Statements of Activities and Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting activities benefited based on the actual direct expenses and an allocation of indirect expenses based on estimates of time and usage by personnel and programs. Expenses allocated include salaries and wages and employee benefits and taxes. Although the method used was appropriate, other methods could produce different results.

Income Taxes

The Foundation is organized as a not-for-profit corporation other than a private foundation, and is exempt from income tax under Section 501(c)(3) of the United States Internal Revenue Code and similar state law.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Foundation, and has concluded that as of December 31, 2024 and 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements.



**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

---

As such, the Foundation is generally exempt from income taxes. However, the Foundation is required to file Federal Form 990 – Return of Organization Exempt From Income Tax and a corresponding state return, which are informational returns only. The Foundation is subject to routine audits by taxing jurisdictions. However, as of the date the financial statements were available to be issued, there were no audits for any tax periods in progress.

Subsequent Events

The Foundation evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through April 28, 2025, which is the date the financial statements were available to be issued.

**3. INVESTMENTS**

Investments consist of the following at December 31:

	<u>2024</u>	<u>2023</u>
Cash	\$ 19,954	\$ 11,018
Money market mutual funds	226,403	376,026
Bonds	2,367,338	1,939,240
Exchange traded funds	91,291	-0-
Mutual funds	6,118,264	5,772,973
Common stocks	2,559,611	2,589,490
	<u>\$ 11,382,861</u>	<u>\$ 10,688,747</u>

Investment return consists of the following for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Dividends and interest		
(including bank interest)	\$ 533,188	\$ 339,155
Less investment fees	(39,911)	(37,913)
	493,277	301,242
Realized gains on investments, net	345,169	12,816
Unrealized gains on investments, net	479,947	1,172,130
	<u>825,116</u>	<u>1,184,946</u>
	<u>\$ 1,318,393</u>	<u>\$ 1,486,188</u>

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

---

**4. PLEDGES RECEIVABLE**

Pledges receivable are as follows at December 31:

	2024	2023
Past due	\$ 11,878	\$ 6,436
Due within 1 year	116,249	153,175
Due in 1-5 years	<u>44,152</u>	<u>78,528</u>
	172,279	238,139
Less present value discount	(8,194)	(14,074)
Less allowance for uncollectible pledges	<u>(3,000)</u>	<u>(3,000)</u>
	<u><u>\$ 161,085</u></u>	<u><u>\$ 221,065</u></u>

**5. PROPERTY AND EQUIPMENT**

Property and equipment include the following at December 31:

	2024	2023
Furniture and equipment	\$ 202,735	\$ 202,735
Less accumulated depreciation	<u>(200,483)</u>	<u>(198,935)</u>
	<u><u>\$ 2,252</u></u>	<u><u>\$ 3,800</u></u>

**6. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS**

The Foundation has established twelve (eleven at December 31, 2023) designated endowment funds with Central Indiana Community Foundation (CICF) and is the beneficiary of the funds holding those assets. The purpose of such funds is to provide support to the Foundation. If the Foundation ceases to exist, the funds will be used to provide support to the Library and its successors in interest.

Annual earnings are allocated to each fund and a portion of the fund balance is available for distribution during the succeeding year in accordance with the spending policy adopted by the CICF Board of Directors. At the time of execution of the agreements, the spending policy provided for 5% of the December 31 fund balance as the portion available for distribution, in addition to any unspent distributable amounts from prior years.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

---

The fair values of the designated funds, as reported by CICF, are as follows at December 31:

	2024	2023
Operating Endowment	\$ 2,659,809	\$ 2,514,555
Humanities Endowment	3,024,734	2,831,844
Lifelong Learning Endowment	1,658,532	1,551,903
Early Childhood Literacy Endowment	1,623,519	1,518,539
Professional Development Fund	251,954	234,442
J. Steve & Donna D. Talley Fund	137,848	115,384
Dr. Michael R. Twyman Endowment Fund	72,912	71,367
The Herbert Simon Early Literacy Specialist Fund	1,390,949	1,300,370
Zeff Weiss Memorial Fund	208,729	193,268
Herbert Simon Teen Services Endowment	77,833	72,725
Next 50 Fund	246,111	229,306
Lillian Childress Hall Fund	49,048	-0-
	<u>\$ 11,401,978</u>	<u>\$ 10,633,703</u>

The portions of these funds that were restricted by donors, plus Foundation funds without donor restrictions that were irrevocably transferred to these funds in order to earn donor-restricted matching contributions, are reflected as part of net assets with donor restrictions in the Statements of Financial Position. Foundation funds without donor restrictions that were irrevocably transferred to these funds as part of the Foundation's endowment are reflected as without donor restrictions board-designated net assets (Note 8). Unappropriated earnings or cumulative deficits of these funds are classified as with donor restrictions or without donor restrictions, as applicable.

## **7. NET ASSETS**

### Net Assets Without Donor Restrictions – Board Designated

The Foundation maintains a board designated professional development endowment fund. This fund has a balance of \$116,598 and \$106,615 at December 31, 2024 and 2023, respectively (Note 8).

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specific purposes:		
Library materials, collections and branch projects	\$ 6,906,036	\$ 6,261,649
Foundation programs	<u>596,150</u>	<u>563,917</u>
	7,502,186	6,825,566
Subject to passage of time:		
For periods after December 31, 2024 and 2023	<u>59,568</u>	<u>80,719</u>
Net assets with purpose and time restrictions	7,561,754	6,906,285
Subject to endowment spending policy and appropriation:		
Operations	2,921,944	2,760,166
Library materials, collections and branch projects	580,684	537,454
Business lectures	432,255	404,894
Library social science	20,000	20,000
Summer reading program	15,000	15,000
McFadden Lecture Tea	5,000	5,000
Humanities (cultural and community programs)	3,133,488	2,940,286
Lifelong learning	1,658,531	1,551,903
Early childhood literacy	1,623,518	1,518,539
Professional development	135,811	129,073
The Danny R. Dean Fund (programs and operations)	556,306	517,726
J. Steve & Donna D. Talley Fund (programs)	156,112	144,776
Dr. Michael R. Twyman Endowment Fund (programs)	72,912	71,367
The Herbert Simon Early Literacy Specialist Fund (programs)	1,390,948	1,300,370
Zeff Weiss Memorial Fund (programs and operations)	210,928	196,467
Herbert Simon Teen Services Endowment (programs)	89,016	83,908
Cairo Family Fund (programs and operations)	24,475	22,803
Mary Frances Rubly and Jerry Hummer Fund (programs)	184,330	145,858
Next 50 Fund (programs and operations)	243,931	227,127
Sally Miller Peck Endowment for Literacy (programs and operations)	63,703	59,623
Michael D. O'Brien Fund (programs and operations)	46,542	43,116
Annis Fund (Irvington branch)	25,374	22,697
Vargus Fund (programs and operations)	64,653	57,846
Lillian Childress Hall Fund (programs and operations)	49,321	45,649
Harrison Strader Wood (programs and operations)	<u>12,605</u>	<u>-0-</u>
Net assets subject to endowment spending policy and appropriations	<u>13,717,387</u>	<u>12,821,648</u>
Total net assets with donor restrictions	<u>\$ 21,279,141</u>	<u>\$ 19,727,933</u>

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

---

Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows during the years ended December 31:

	2024	2023
Operations	\$ 170,199	\$ 164,221
Library materials, collections and branch projects	1,446,222	1,541,482
Foundation programs	78,576	80,807
Time restrictions expired	60,129	42,018
Business lectures	19,725	18,838
Humanities	154,768	148,919
Lifelong learning	77,394	61,845
Early childhood literacy	149,441	136,067
Dr. Michael R. Twyman Endowment Fund	6,915	2,000
Zeff Weiss Memorial Fund	9,492	8,294
Herbert Simon Teen Services Endowment	3,517	2,252
	<u>\$ 2,176,378</u>	<u>\$ 2,206,743</u>

**8. ENDOWMENT**

The Foundation's endowment consists of twenty-five (twenty-four at December 31, 2023) individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Foundation is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Directors appropriates such amounts for expenditure. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Directors of the Foundation has interpreted SPMIFA as not requiring the

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**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

---

maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

The Foundation has elected not to spend from underwater funds. Additionally, in accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Foundation and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Foundation
- (7) The investment policies of the Foundation

Underwater Endowment Funds

The fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no funds with deficiencies at December 31, 2024 and 2023.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for assets held for endowment 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.

A portion of the Foundation's endowment is included in twelve and eleven funds held at CICF, which total \$11,401,978 and \$10,633,703 at December 31, 2024 and 2023, respectively (Note 6). The funds held by CICF are invested according to CICF's pooled investment fund strategies.

The Foundation also has other funds totaling \$2,432,007 and \$2,294,560 that are classified as part of the endowment at December 31, 2024 and 2023, respectively. These include cash, investments, and pledges receivable. Investable funds held by the Foundation are invested according to the Foundation's investment policy statements and are appropriated subject to approval by the Board of Directors.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

---

Strategies Employed for Achieving Objectives

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

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a guideline for its donor-restricted endowment funds of appropriating for distribution each year 5% of its endowment fund's fair value (less that portion represented by pledges receivable) based on a thirty-six-month rolling average. With respect to funds held at CICF, the Foundation follows the CICF suggested spending policy of no more than 5% of the balance annually, in addition to any unspent distributable amounts from prior years. The Foundation typically does not appropriate the full amount that is available in any given year. In establishing this guideline, the Foundation considered the long-term expected return on its assets held for endowment. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

The composition of endowment net assets is as follows at December 31:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 116,598	\$ -0-	\$ 116,598
Donor restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-0-	8,664,833	8,664,833
Accumulated investment gains	-0-	5,052,554	5,052,554
	<u>\$ 116,598</u>	<u>\$ 13,717,387</u>	<u>\$ 13,833,985</u>

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 106,615	\$ -0-	\$ 106,615
Donor restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-0-	8,604,648	8,604,648
Accumulated investment gains	-0-	4,217,000	4,217,000
	<u>\$ 106,615</u>	<u>\$ 12,821,648</u>	<u>\$ 12,928,263</u>

The change in endowment net assets is as follows for the years ended December 31:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 106,615	\$ 12,821,648	\$ 12,928,263
Contributions	-0-	60,232	60,232
Investment return, net	-0-	240,625	240,625
Change in value of beneficial interest in assets held by others	16,661	1,249,891	1,266,552
Appropriation of endowment assets pursuant to spending rate policy	(6,678)	(655,009)	(661,687)
Endowment net assets, end of year	<u>\$ 116,598</u>	<u>\$ 13,717,387</u>	<u>\$ 13,833,985</u>



**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 99,054	\$ 12,046,017	\$ 12,145,071
Contributions	-0-	89,889	89,889
Investment return, net	-0-	273,781	273,781
Change in value of beneficial interest in assets held by others	13,765	1,039,757	1,053,522
Appropriation of endowment assets pursuant to spending rate policy	(6,204)	(627,796)	(634,000)
Endowment net assets, end of year	<u>\$ 106,615</u>	<u>\$ 12,821,648</u>	<u>\$ 12,928,263</u>

**9. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Foundation's annual operating costs are categorized as program services, management and general, and fundraising. Program services costs, including grants to the Library, consistently represent 70% of the Foundation's annual spending. This compares favorably to the Better Business Bureau Wise Giving Alliance recommendation that at least 65% of an organization's annual expenditures be for programs.

To fund its annual operations, the Foundation uses proceeds from sales of the Indy Library Store, contributions, investment return and earnings from its beneficial interest in assets held at Central Indiana Community Foundation (CICF). A significant portion of the Foundation's annual revenue and support is subject to donor-imposed restrictions regarding the specified timeframe within which, and/or purpose for which, funds may be spent. Moreover, because endowments exist in perpetuity, the Foundation may only spend from its endowments in accordance with its spending policies (Note 8).

The Foundation's Board of Directors seeks to maintain appropriate reserves that will allow the Foundation to operate within a prudent range of financial soundness and stability, enabling it to:

- Meet its long-term commitments to the Library
- Respond to the Library's emerging needs
- Maintain adequate liquid assets when the market drops
- Generate income to ensure its growth and sustainability

The Foundation funds Library programs based on their alignment with the Library's strategic plan, expected impact, and fit with anticipated donor-restricted support. Library requests for support are vetted by Library and Foundation leadership and only programs which fit within anticipated program budget categories are approved for funding.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

The Foundation's annual budget combines planned support for the Library with projected fundraising and management costs. The Finance and Audit Committee of the Board of Directors presents the annual budget for approval to the full Board in November.

The Board of Directors reviews expenditures against the approved budget at every quarterly meeting.

The following table reflects the Foundation's financial assets reduced by amounts that are not available to meet general expenditures within one year of the Statement of Financial Position date because of donor restrictions or board designations at December 31:

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and cash equivalents	\$ 3,140,599	\$ 2,570,164
Investments	11,382,861	10,688,747
Due from library	20,053	28,369
Pledges receivable, net	161,085	221,065
Beneficial interest in assets		
held by others	<u>11,401,978</u>	<u>10,633,703</u>
Total financial assets	26,106,576	24,142,048
Donor-imposed restrictions		
Purpose and time restrictions	(7,561,754)	(6,906,285)
Endowment funds	(13,717,387)	(12,821,648)
Board designated endowment funds	<u>(116,598)</u>	<u>(106,615)</u>
Financial assets available to meet cash needs for		
general expenditures within one year	<u>\$ 4,710,837</u>	<u>\$ 4,307,500</u>

## 10. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of fair value hierarchy are described as follows:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.
- Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

---

liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

- *Money market mutual funds*: Generally, transact subscription and redemption activity at a \$1 stable net asset value (NAV); however, on a daily basis the funds are valued at their daily NAV calculated using the amortized cost of the securities held in the fund.
- *Bonds (corporate, municipal, and U.S. government)*: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.
- *Mutual funds and exchange traded funds*: Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.
- *Common stocks and exchange traded funds*: Valued at the closing price reported on the active market on which the individual securities are traded.
- *Beneficial interest in assets held by others*: Valued at fair value as reported by CICF, which represents the Foundation's pro rata interest in CICF's pooled investment funds, substantially all of which are valued on a mark-to-market basis.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting date.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

The following tables set forth by level, within the hierarchy, the Foundation's assets measured at fair value on a recurring basis as of December 31:

	2024			
	Level 1	Level 2	Level 3	Total
Investments				
Money market mutual funds	\$ -0-	\$ 226,403	\$ -0-	\$ 226,403
Bonds	-0-	2,367,338	-0-	2,367,338
Exchange traded funds	91,291	-0-	-0-	91,291
Mutual funds				
Asset allocation	1,583,133	-0-	-0-	1,583,133
Emerging markets	529,947	-0-	-0-	529,947
International equity	1,033,355	-0-	-0-	1,033,355
Large cap	2,445,592	-0-	-0-	2,445,592
Mid cap	526,237	-0-	-0-	526,237
Common stocks				
Large cap	2,559,611	-0-	-0-	2,559,611
	<u>\$ 8,769,166</u>	<u>\$ 2,593,741</u>	<u>\$ -0-</u>	<u>11,362,907</u>
Cash				<u>19,954</u>
				<u>\$ 11,382,861</u>
Beneficial interest in assets held by others	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 11,401,978</u>	<u>\$ 11,401,978</u>
	2023			
	Level 1	Level 2	Level 3	Total
Investments				
Money market mutual funds	\$ -0-	\$ 376,026	\$ -0-	\$ 376,026
Bonds	-0-	1,939,240	-0-	1,939,240
Mutual funds				
Asset allocation	1,457,452	-0-	-0-	1,457,452
Emerging markets	458,904	-0-	-0-	458,904
International equity	1,182,842	-0-	-0-	1,182,842
Large cap	2,190,915	-0-	-0-	2,190,915
Mid cap	482,860	-0-	-0-	482,860
Common stocks				
Large cap	2,589,490	-0-	-0-	2,589,490
	<u>\$ 8,362,463</u>	<u>\$ 2,315,266</u>	<u>\$ -0-</u>	<u>10,677,729</u>
Cash				<u>11,018</u>
				<u>\$ 10,688,747</u>
Beneficial interest in assets held by others	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 10,633,703</u>	<u>\$ 10,633,703</u>

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

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The following table sets forth the change in beneficial interest in assets held by others measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 10,633,703	\$ 10,102,514
Deposits	77,791	30,881
Dividends and interest, net of investment management fees	132,242	62,056
Realized gains	744,760	300,044
Unrealized gains	462,359	753,087
Operating support fees	(72,809)	(61,665)
Distributions	<u>(576,068)</u>	<u>(553,214)</u>
Ending balance	<u>\$ 11,401,978</u>	<u>\$ 10,633,703</u>

#### **11. RETIREMENT PLAN**

The Foundation has a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers employees who have attained the age of twenty-one and met specified service requirements. The Foundation makes contributions to the Plan equal to 10% of eligible participants' gross compensation. Total expense for the years ended December 31, 2024 and 2023 was \$53,816 and \$57,552, respectively.

#### **12. RELATED PARTY TRANSACTIONS**

The Foundation is a not-for-profit corporation governed by its own Board of Directors. As required in the Foundation's bylaws, the Chief Executive Officer of the Library and one Board member of the Library serve on the Board of Directors of the Foundation. The Foundation's financial information is included in the group financial statements of the Library as a discretely presented component unit of the Library due to the relationship with and support provided to the Library.

The Foundation's activities support Library related functions, including but not limited to Library programs and projects. The Foundation expended \$2,051,799 and \$2,309,114 in support of Library programs and projects during the years ended December 31, 2024 and 2023, respectively.

The Library provides the Foundation with office space and technology support. The value of this support and the related expense are not reflected in the financial statements as the amounts have been determined to be insignificant.

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY FOUNDATION, INC. d/b/a  
THE INDIANAPOLIS PUBLIC LIBRARY FOUNDATION**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

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The Foundation has amounts due from the Library of \$20,053 and \$28,369 at December 31, 2024 and 2023, respectively, which represent unspent funds advanced to the Library.

**13. CONCENTRATIONS**

The Foundation maintains its cash and cash equivalents in accounts which generally 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 and cash equivalents.

The Foundation's investments and the beneficial interest in assets held by others are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with these assets and the level of uncertainty related to changes in their value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying financial statements.

At December 31, 2024, three custodians held 100% of the Foundation's investments, with individual percentages of 62%, 24%, and 15%. At December 31, 2023, three custodians held 88% of the Foundation's investments, with individual percentages of 59%, 15%, and 14%. The primary custodian includes four fund managers at December 31, 2024 and 2023. At December 31, 2024 two mutual funds represent 22% of total investments, with individual percentages of 11% each. At December 31, 2023, one mutual fund represents 12% of total investments. The Foundation's beneficial interest in assets held by others represents assets held by CICF (Note 6).

Contributions from one community foundation and one charitable foundation represents 39% and 13% of total contributions in 2024 and the same community foundation represents 44% of total contributions in 2023.

At December 31, 2024, pledges from four donors represent approximately 51% of pledges receivable, net, with individual percentages of 10% to 16%. At December 31, 2023, pledges from four donors represent approximately 51% of pledges receivable, net, with individual percentages from 11% to 15%.