

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021



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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Cary Institute of Ecosystem Studies, Inc.
Millbrook, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Cary Institute of Ecosystem Studies, Inc., which comprise the statement of financial position as of June 30, 2022 and 2021, 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 Cary Institute of Ecosystem Studies, Inc., as of June 30, 2022 and 2021, 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cary Institute of Ecosystem Studies, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Cary Institute of Ecosystem Studies, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2022, on our consideration of Cary Institute of Ecosystem Studies, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Cary Institute of Ecosystem Studies, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cary Institute of Ecosystem Studies, Inc.'s internal control over financial reporting and compliance.

Board of Trustees
Cary Institute of Ecosystem Studies, Inc.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
November 15, 2022

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
ASSETS		
Cash and Cash Equivalents	\$ 1,084,117	\$ 2,002,356
Investments	120,937,518	150,914,459
Grants and Contracts Receivable	931,746	1,003,158
Pledges Receivable	557,563	591,450
Other Assets	211,319	151,806
Property and Equipment, Net	19,510,090	16,941,712
Total Assets	\$ 143,232,353	\$ 171,604,941
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 372,854	\$ 2,207,661
Deferred Revenue	808,744	9,236
Accrued Vacation	600,598	593,437
Post-Retirement Benefits	599,457	585,394
Capital Lease Obligation	8,974	13,327
Total Liabilities	2,390,627	3,409,055
NET ASSETS		
Without Donor Restrictions	45,708,021	41,810,898
With Donor Restrictions	95,133,705	126,384,988
Total Net Assets	140,841,726	168,195,886
Total Liabilities and Net Assets	\$ 143,232,353	\$ 171,604,941

See accompanying Notes to Financial Statements.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES			
Government Grants and Contracts	\$ 3,719,022	\$ -	\$ 3,719,022
Private Grants and Contributions	1,052,608	3,302,644	4,355,252
Other Income	54,966	-	54,966
Auxiliary Enterprises	115,154	-	115,154
Tuition and Fees	950	-	950
Investment Return Designated for Operations	-	5,787,233	5,787,233
Net Assets Released from Restrictions	14,657,101	(14,657,101)	-
Total Operating Revenues	19,599,801	(5,567,224)	14,032,577
OPERATING EXPENSES			
Program Services:			
Science	6,979,905	-	6,979,905
Education	533,444	-	533,444
Auxiliary Enterprises	521,826	-	521,826
Outreach, Public Programs, and Visitation	334,951	-	334,951
Library	272,039	-	272,039
Grounds	303,229	-	303,229
Total Program Services	8,945,394	-	8,945,394
Supporting Services:			
Finance and Administration	2,110,018	-	2,110,018
Executive Management	437,797	-	437,797
Development	640,725	-	640,725
Total Supporting Services	3,188,540	-	3,188,540
Total Operating Expenses	12,133,934	-	12,133,934
Change in Net Assets from Operations	7,465,867	(5,567,224)	1,898,643
OTHER CHANGES IN NET ASSETS			
Investment Gain, Net in Excess (Deficiency) of Amounts Designated for Operations	(3,568,744)	(25,684,059)	(29,252,803)
Total Other Changes in Net Assets	(3,568,744)	(25,684,059)	(29,252,803)
INCREASE (DECREASE) IN NET ASSETS	3,897,123	(31,251,283)	(27,354,160)
Net Assets - Beginning of Year	41,810,898	126,384,988	168,195,886
NET ASSETS - END OF YEAR	\$ 45,708,021	\$ 95,133,705	\$ 140,841,726

See accompanying Notes to Financial Statements.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES			
Government Grants and Contracts	\$ 4,212,783	\$ -	\$ 4,212,783
Private Grants and Contributions	1,653,478	2,315,429	3,968,907
Other Income	20,683	-	20,683
Auxiliary Enterprises	103,439	-	103,439
Investment Return Designated for Operations	-	5,674,618	5,674,618
Net Assets Released from Restrictions	7,804,598	(7,804,598)	-
Total Operating Revenues	13,794,981	185,449	13,980,430
OPERATING EXPENSES			
Program Services:			
Science	8,016,467	-	8,016,467
Education	720,453	-	720,453
Auxiliary Enterprises	296,287	-	296,287
Outreach, Public Programs, and Visitation	361,020	-	361,020
Library	256,348	-	256,348
Grounds	302,381	-	302,381
Total Program Services	9,952,956	-	9,952,956
Supporting Services:			
Finance and Administration	1,835,596	-	1,835,596
Executive Management	458,981	-	458,981
Development	656,902	-	656,902
Total Supporting Services	2,951,479	-	2,951,479
Total Operating Expenses	12,904,435	-	12,904,435
Change in Net Assets from Operations	890,546	185,449	1,075,995
OTHER CHANGES IN NET ASSETS			
Investment Gain, Net in Excess (Deficiency) of Amounts Designated for Operations	4,964,197	24,105,377	29,069,574
Loss on Donated Property Held for Sale	(903,623)	-	(903,623)
Other Changes in Net Assets	4,060,574	24,105,377	28,165,951
INCREASE IN NET ASSETS	4,951,120	24,290,826	29,241,946
Net Assets - Beginning of Year	36,859,778	102,094,162	138,953,940
NET ASSETS - END OF YEAR	\$ 41,810,898	\$ 126,384,988	\$ 168,195,886

See accompanying Notes to Financial Statements.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022

	Program Services	Management and General	Fundraising	Total
EXPENSES				
Salaries	\$ 4,118,093	\$ 1,380,226	\$ 406,182	\$ 5,904,501
Benefits and Taxes	1,402,412	291,344	140,329	1,834,085
Subcontracts	1,409,307	-	-	1,409,307
Outside Services	498,975	171,820	36,661	707,456
Depreciation and Amortization	761,592	79,536	16,013	857,141
Insurance	-	256,385	-	256,385
Supplies	269,837	94,609	7,160	371,606
Occupancy	127,267	11,965	2,354	141,586
Miscellaneous	42,674	145,422	7,153	195,249
Accounting Services	-	65,680	3,450	69,130
Printing and Publications	140,970	991	6,920	148,881
Fellowships	29,980	-	-	29,980
Telephone	15,891	41,383	76	57,350
Vehicle and Travel Expenses	108,320	5,983	2,390	116,693
Conferences and Meetings	15,964	1,272	8,894	26,130
Postage	4,134	1,104	2,631	7,869
Legal	-	-	500	500
Interest and Fees	-	85	-	85
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 8,945,416</u>	<u>\$ 2,547,805</u>	<u>\$ 640,713</u>	<u>\$ 12,133,934</u>

See accompanying Notes to Financial Statements.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES				
Salaries	\$ 4,747,960	\$ 1,205,988	\$ 401,728	\$ 6,355,676
Benefits and Taxes	1,594,486	441,874	138,554	2,174,914
Subcontracts	1,711,291	-	-	1,711,291
Outside Services	767,953	90,149	45,676	903,778
Depreciation and Amortization	462,491	41,223	4,094	507,808
Insurance	-	278,511	625	279,136
Supplies	189,835	51,791	10,541	252,167
Occupancy	168,597	19,569	4,181	192,347
Miscellaneous	57,617	37,280	31,202	126,099
Accounting Services	-	91,500	3,250	94,750
Printing and Publications	90,197	(12,222)	10,538	88,513
Fellowships	78,297	-	-	78,297
Telephone	18,053	42,025	46	60,124
Vehicle and Travel Expenses	54,129	677	90	54,896
Conferences and Meetings	7,723	1,763	4,321	13,807
Postage	3,767	1,454	2,056	7,277
Legal	-	2,995	-	2,995
Interest and Fees	560	-	-	560
	<u>560</u>	<u>-</u>	<u>-</u>	<u>560</u>
Total Expenses	<u>\$ 9,952,956</u>	<u>\$ 2,294,577</u>	<u>\$ 656,902</u>	<u>\$ 12,904,435</u>

See accompanying Notes to Financial Statements.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets	\$ (27,354,160)	\$ 29,241,946
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Used by Operating Activities:		
Depreciation and Amortization	857,141	507,808
Donated Property and Equipment	-	(663,065)
Realized and Unrealized (Gains) Losses on Investments, Net	22,529,347	(63,204,075)
(Increase) Decrease in Operating Assets:		
Grants and Contracts Receivable	71,412	230,941
Pledges Receivable	33,887	111,300
Other Assets	(59,513)	3,048,984
Increase (Decrease) in Operating Liabilities:		
Accounts Payable and Accrued Expenses	(1,834,807)	2,079,159
Deferred Revenue	799,508	(184,361)
Accrued Vacation	7,161	(54,523)
Post-Retirement Benefits	14,063	11,273
Net Cash Used by Operating Activities	(4,935,961)	(28,874,613)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	22,526,765	67,089,995
Purchase of Investments	(15,079,171)	(28,067,211)
Purchase of Property and Equipment	(3,425,519)	(8,985,163)
Net Cash Provided by Investing Activities	4,022,075	30,037,621
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Capital Lease Obligation	(4,353)	(6,880)
Net Cash Used by Financing Activities	(4,353)	(6,880)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(918,239)	1,156,128
Cash and Cash Equivalents - Beginning of Year	2,002,356	846,228
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,084,117	\$ 2,002,356

See accompanying Notes to Financial Statements.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Cary Institute of Ecosystem Studies, Inc. (the Institute), formerly named The Institute of Ecosystem Studies, Inc., is a nonprofit research and educational institution incorporated under the laws of the state of New York. The Institute is dedicated to the creation, dissemination and application of knowledge about ecological systems.

Basis of Accounting and Presentation

The financial statements of the Institute have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Accordingly, the accounts of the Institute are reported in the following net asset categories:

Net Assets Without Donor Restrictions – Net assets without donor restrictions represent available resources other than donor-restricted contributions. These resources may be expended at the discretion of the board of trustees. The board has designated a portion of net assets without donor restrictions to function as an endowment.

Net Assets With Donor Restrictions – Net assets with donor restrictions represent 1) contributions that are restricted by the donor as to purpose or time of expenditure, 2) accumulated investment gains and income on endowment investments that have not been appropriated for expenditure, and 3) resources that have donor-imposed restrictions that require that the principal be maintained in perpetuity but permit the Institute to expend the income earned thereon.

Measure of Operations

The Institute's measure of operations includes all operating revenues and expenses that are an integral part of its programs, including net assets released from donor restrictions to support operations. The measure of operations also includes distributions from the endowment in accordance with the Institute's endowment spending policy. The measure of operations excludes income and gains or losses on endowment that exceed or are less than the distribution determined by the spending policy, other nonendowment-related investment income, donated property held for sale and losses related to donated property sold.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The most significant estimates relate to the valuation of alternative investments and the post-retirement medical liability.

Cash and Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of 90 days or less. As of June 30, 2022 and 2021, endowed cash of \$631,176 and \$1,447,016, respectively, was included in Cash and Cash Equivalents on the statements of financial position.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (Continued)

The Institute maintains deposits in financial institutions that may, at times, exceed federal and other depository insurance limits. Management believes that the Institute's deposits are not subject to significant credit risk.

Investment Valuation and Income Recognition

The Institute's investment portfolio consists of a wide range of securities and investment vehicles whose purpose is to help support the cost of the Institute's operations. Investments are reported at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investments in marketable equity and all debt securities are reported at market value in the statements of financial position. However, certain assets in the portfolio relate to investments in a variety of limited partnerships. These partnerships, in turn, may invest in listed and unlisted stocks, corporate bonds and other fixed income securities, as well as other limited partnerships and financial instruments that are illiquid, and may also engage in various forms of arbitrage. As a result, the market value of certain partnership investments is, of necessity, based on estimates as discussed in Note 2. These estimated values could differ significantly from values that would have been determined had there been a ready market for the underlying investments. Purchases and sales of securities are recorded on the trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Institute's gains and losses on investments bought and sold as well as held during the year. Realized and unrealized gains and losses on these investments are reported in the statement of activities and changes in net assets as increases or decreases in net assets without donor restrictions unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

Property and Equipment

Property and equipment acquisitions and improvements thereon that exceed \$5,000 are capitalized at cost and depreciated on a straight-line basis over their estimated useful lives, which range from 4 to 35 years. Repairs and maintenance are charged to expense as incurred.

Contributions, Including Government Grants and Contracts

In accordance with Accounting Standards Update (ASU) No. 2018-08, certain governmental grants and contracts received by a nonprofit, including certain awards to fund capital expenditures, are generally considered to be contributions rather than exchange transactions since there was not commensurate value transferred between the resource provider and the Institute. Promises to give that are subject to donor-imposed conditions (i.e., a donor stipulation that includes a barrier that must be overcome and a right of return of assets) are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional. Unconditional contributions are recognized when promised or received, as applicable, and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions receivable expected to be collected in more than one year are discounted to their present value.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions, Including Government Grants and Contracts (Continued)

The Institute reports contributions of cash and other assets as donor-restricted support if they are received with donor stipulations that limit their use. 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 accompanying statements of activities as Net Assets Released from Restrictions. Contributions received whose restrictions are met in the same period are presented as net assets without donor restrictions.

The Institute has been awarded approximately \$6.4 million in grants and contracts that have not been advanced or expended as of June 30, 2022 and 2021 and, accordingly, are not recognized in the financial statements. Government grants and contracts are conditioned on incurring qualified program expenses or meeting performance measures.

The Institute reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions on how the assets are to be used and gifts of cash or other assets that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations about how long those assets must be maintained, the Institute reports expirations of donor restrictions when the assets are placed in service.

Contributed services are recognized in the financial statements if they enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. General volunteer services do not meet these criteria for recognition. However, many volunteers have donated significant amounts of time in developing the Institute's programs.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as time and effort, usage or square footage.

Income Taxes

The Institute is exempt from federal and state income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income tax under Section 501(a) of the Code; however, the Institute is subject to federal income tax on any unrelated business taxable income.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these financial statements, management has evaluated subsequent events through November 15, 2022, which represents the date the financial statements were available to be issued.

NOTE 2 FAIR VALUE MEASUREMENTS

Generally accepted accounting principles establish a framework for measuring fair value. That framework 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 (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Institute has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets in active markets;
- quoted prices for identical or similar assets in inactive markets;
- inputs other than quoted prices that are observable for the asset;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

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

The asset'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. As a practical expedient, certain investments are measured at fair value on the basis of net asset value; its classification as Level 2 or 3 will be impacted by the ability to redeem the investment at net asset value at the measurement date. If there is uncertainty or the inability to redeem an investment at net asset value in the near term subsequent to the measurement date, the investment is categorized as Level 3.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

Financial Instruments Measured at Fair Value

The following is a description of the valuation methodologies and investment strategies used for assets measured at fair value:

Money Market Funds – Money market funds are valued at the quoted net asset value of shares reported in the active market in which the funds are traded. The purpose of this investment is to maintain safe, highly liquid assets as opposed to generating significant yield.

Fixed Income – Fixed income is valued at the closing price reported in the active market in which the individual securities are traded. As a result, credit quality is a core emphasis of this allocation. The redemption period for these investments is daily, with no advanced notice.

Equity – Equity is valued at the closing price reported in the active market in which the individual securities are traded. This investment class seeks to provide long-term capital appreciation. Equity managers are selected with the objective of building a portfolio that is diversified by geographic region, economic sector, industry and market capitalization. The objective in selecting equity managers is to generate average annual compounded returns over the relevant broad market indices (i.e., the S&P 500, the Russell 1000, MSCI EAFE and MSCI World), net of fees, over full market cycles (5-10 years). The redemption period for these investments ranges from daily to semiannually, with 0-30 days' notice and varying lockup

Alternative Assets – Interests in alternative assets are valued using net asset values as determined by the investment manager of the fund. This net asset value is based on the fair value of the underlying assets and liabilities of the related fund at the measurement date. This investment class may include both “absolute return strategies” and long/short “equity hedge” strategies. Absolute return strategies typically involve event-driven, stressed and distressed credit, and spread-based arbitrage investments. Absolute return strategies tend to be both flexible and opportunistic. They incorporate differentiated drivers of return compared to traditional investment strategies, and, as a result, they are expected to produce returns that exhibit relatively low correlation to broad market indices over longer time horizons. Equity hedge managers typically make both long and short investments and produce returns that can be expected to correlate more closely with the performance of the equity markets than would the performance of the absolute return strategies, though with lower volatility than traditional “long only” equity managers. Investments in alternative assets are generally subject to an initial lockup of 12-24 months or longer and thereafter investors can typically withdraw quarterly or annually with advance notice. The managers' underlying investments may themselves be less liquid, but the investment cycle is substantially shorter than for private equity. Over time, alternative assets should generate equity-like returns with lower volatility than equity markets.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

Financial Instruments Measured at Fair Value (Continued)

Real Assets – Real assets are valued at the quoted net asset value of shares held by the Institute at year-end or valued using net asset values as determined by the investment manager of the fund. Real asset strategies tend to be utilized to diversify portfolio risk. They incorporate differentiated drivers of return compared to traditional investment strategies, and, as a result, they are expected to produce returns that exhibit relatively low correlation to broad market indices over longer time horizons.

Hybrid – Interests in hybrid investments are valued using net asset values as determined by the investment manager of the fund. This net asset value is based on the fair value of the underlying assets and liabilities of the related fund at the measurement date. This investment class seeks to capitalize on opportunistic investments across the credit spectrum.

Private Investments – Interests in private investments are valued using net asset values as determined by the investment manager of the fund. This net asset value is based on the fair value of the underlying assets and liabilities of the related fund at the measurement date. This investment class encompasses diverse strategies including buyout/growth, venture capital and control-oriented distressed. These investments generally have four to six-year investment periods and approximately 10-year fund lives. Private investments are expected to generate higher returns than public market strategies. The performance of funds raised and managed by the same team following similar strategies can vary significantly from one period to the next. Thus, investment in this asset class requires diversification across not only managers, strategies, and geographies but also “vintage years.”

Investments Managed by Others – The investments managed by others are valued at the quoted fair value of the underlying assets held at year-end.

There have been no changes in the methodologies used at June 30, 2022 and 2021.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a summary of the source of fair value measurements for assets as of June 30, 2022:

	Total	Fair Value Measurements at Report Date Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV
ASSETS					
Money Market Funds	\$ 3,674,750	\$ 3,674,750	\$ -	\$ -	\$ -
Fixed Income:					
Domestic	13,525,610	13,525,610	-	-	-
Equity:					
Global Equity - Managed	34,611,478	-	-	-	34,611,478
Domestic Equity - Managed	13,129,300	-	-	-	13,129,300
Emerging Equities - Managed	5,754,060	-	-	-	5,754,060
Alternative Assets:					
Absolute Return	14,288,578	-	-	-	14,288,578
Equity Hedge	6,547,473	-	-	-	6,547,473
Real Assets	8,380,479	-	-	-	8,380,479
Hybrid	5,257,455	-	-	-	5,257,455
Private Investments:					
Fund of Funds	14,757,794	-	-	-	14,757,794
Buyout/Growth	969,752	-	-	-	969,752
Investments Managed by Others	40,789	-	40,789	-	-
Total Assets at Fair Value	<u>\$ 120,937,518</u>	<u>\$ 17,200,360</u>	<u>\$ 40,789</u>	<u>\$ -</u>	<u>\$ 103,696,369</u>

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a summary of the source of fair value measurements for assets as of June 30, 2021:

	Fair Value Measurements at Report Date Using				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV
ASSETS					
Money Market Funds	\$ 3,496,335	\$ 3,496,335	\$ -	\$ -	\$ -
Fixed Income:					
Domestic	23,066,168	23,066,168	-	-	-
Equity:					
Global Equity - Managed	46,659,260	-	-	-	46,659,260
Domestic Equity - Managed	17,533,446	-	-	-	17,533,446
Emerging Equities - Managed	8,078,374	-	-	-	8,078,374
Alternative Assets:					
Absolute Return	15,996,483	-	-	-	15,996,483
Equity Hedge	10,042,353	-	-	-	10,042,353
Real Assets	5,996,260	-	-	-	5,996,260
Hybrid	3,570,398	-	-	-	3,570,398
Private Investments:					
Fund of Funds	14,933,313	-	-	-	14,933,313
Buyout/Growth	1,496,974	-	-	-	1,496,974
Investments Managed by Others	45,095	-	45,095	-	-
Total Assets at Fair Value	<u>\$ 150,914,459</u>	<u>\$ 26,562,503</u>	<u>\$ 45,095</u>	<u>\$ -</u>	<u>\$ 124,306,861</u>

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient, which is a reasonable estimate of fair value, have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

There were no transfers between levels of investments during the years ended June 30, 2022 and 2021.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

Additional information regarding investments that report fair value based on net asset value per share or unit as of June 30 is as follows:

<u>June 30, 2022</u>	<u>Fair value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Global Equity - Managed	\$ 34,611,478	\$ -	Quarterly, Semiannually	30 days
Domestic Equity - Managed	13,129,300	-	Daily	0 days
Emerging Equities - Managed	5,754,060	-	Quarterly, Annually	90 days
Absolute Return	14,288,578	-	Quarterly, Semiannually Monthly, and Every Third Anniversary Expiring 1/1/2022	60-65 days
Equity Hedge	6,547,473	-	and 4/1/2022	60-180days
Real Assets	8,380,479	5,950,000	Illiquid	Illiquid
Hybrid	5,257,455	2,742,526	Illiquid	Illiquid
Fund of Funds	14,757,794	7,643,750	Illiquid	Illiquid
Buyout/Growth	969,752	64,155	Illiquid	Illiquid
Total	<u>\$ 103,696,369</u>	<u>\$ 16,400,431</u>		
 <u>June 30, 2021</u>				
Global Equity - Managed	\$ 46,659,260	\$ -	Quarterly, Semiannually	30 days
Domestic Equity - Managed	17,533,446	3,537,819	Daily	0 days
Emerging Equities - Managed	8,078,374	-	Quarterly, Annually	90 days
Absolute Return	15,996,483	-	Quarterly, Semiannually Monthly, and Every Third Anniversary Expiring 1/1/2022	60-65 days
Equity Hedge	10,042,353	-	and 4/1/2022	60-180days
Real Assets	5,996,260	5,880,000	Illiquid	Illiquid
Hybrid	3,570,398	3,372,818	Illiquid	Illiquid
Fund of Funds	14,933,313	6,940,000	Illiquid	Illiquid
Buyout/Growth	1,496,974	64,155	Illiquid	Illiquid
Total	<u>\$ 124,306,861</u>	<u>\$ 19,794,792</u>		

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 3 GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Government Agencies (Primarily Federal Agencies)	\$ 829,810	\$ 839,235
University and Other Research Institutions	97,113	163,923
Foundations	4,823	-
Total Grants and Contracts Receivable	<u>\$ 931,746</u>	<u>\$ 1,003,158</u>

At June 30, 2022 and 2021, grant proceeds in the amount of \$672,497 and \$6,891, respectively, were advanced to the Institute but not expended and, accordingly, are included in the accompanying financial statements as deferred revenue. Revenue on these grants will be recognized as expenditures are incurred.

NOTE 4 PLEDGES RECEIVABLE

Unconditional pledges receivable as of June 30 are expected to be collected as follows:

	<u>2022</u>	<u>2021</u>
Receivable in Less Than One Year	\$ 264,000	\$ 226,000
Receivable in One to Five Years	293,563	365,450
Total Pledges Receivable	<u>\$ 557,563</u>	<u>\$ 591,450</u>

NOTE 5 OTHER ASSETS

Other assets consisted primarily of donated residential property held for sale in Union Vale, New York. The property was reported at its appraised value of \$3,000,000 as of June 30, 2020. The property was sold during the year ended June 30, 2021 with proceeds to benefit the Institute. The Institute recognized a loss on the sale of the property, reported as Loss on Donated Property Held for Sale on the statements of activities and changes in net assets.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Land	\$ 3,472,403	\$ 3,472,402
Land Improvements	1,068,922	1,065,622
Buildings	8,653,581	8,661,806
Building Improvements	17,442,673	6,217,888
Equipment, Furniture, and Fixtures	4,393,059	4,013,731
Construction in Progress	10,119	9,343,786
Subtotal	<u>35,040,757</u>	<u>32,775,235</u>
Less: Accumulated Depreciation and Amortization	<u>15,530,667</u>	<u>15,833,523</u>
Property and Equipment, Net	<u>\$ 19,510,090</u>	<u>\$ 16,941,712</u>

Depreciation and amortization expense was \$857,141 and \$507,808, for the years ended June 30, 2022 and 2021, respectively.

As of June 30, 2021 the Institute incurred costs related to building renovation of \$9,343,786. The estimated time of completion is December 2021 with an estimated total cost of completion of approximately \$13,500,000.

NOTE 7 LEASE COMMITMENT

Capital Lease

The Institute entered into a capital lease for a copier expiring in July 2024. The lease agreement requires monthly principal and interest payments of \$134. The Institute also entered into a postage lease agreement expiring June 2024. The lease agreement requires monthly principal and interest payments of \$229. The Institute also entered into a vehicle lease agreement for four vehicles expiring April 2021. The lease agreement requires monthly principal and interest payments of \$66 for each vehicle, with a payout option at the end of the lease of \$57 for each vehicle. As of June 30, 2021, all vehicles leases have been paid off.

The following is a summary of property under capital lease as of June 30:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 22,171	\$ 22,171
Less: Accumulated Amortization	13,197	8,844
Net Equipment Under Capital Lease	<u>\$ 8,974</u>	<u>\$ 13,327</u>

Amortization expense relative to the above property is included in depreciation and amortization expense as disclosed in Note 6.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 7 LEASE COMMITMENT (CONTINUED)

Capital Lease (Continued)

At June 30, 2022, minimum future payments under the capital leases were as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 4,353
2024	4,353
2025	268
Total	<u>\$ 8,974</u>

NOTE 8 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Institute's financial assets available within one year of the statements of financial position date for general expenditure are as follows:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 473,193	\$ 252,545
Investments	9,646,394	7,955,428
Grants and Contracts Receivable	931,746	1,003,159
Pledges Receivable	264,000	411,443
Other Assets	64,232	40,262
Financial Assets Available Within One Year	<u>11,379,565</u>	<u>9,662,837</u>
Board-Authorized Endowment Draw for Next Fiscal Year	<u>6,078,788</u>	<u>5,787,233</u>
Total Financial Assets Available to Management for General Expenditure Within One Year	<u>\$ 17,458,353</u>	<u>\$ 15,450,070</u>

Liquidity Management

The Institute maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Institute invests cash in excess of weekly requirements in short-term investments. The Institute's governing board has designated a portion of its resources without donor restrictions for the endowment in the amount of \$17,503,752. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the board. In addition to financial assets available to meet general expenditures over the next 12 months, the Institute operates with a balanced budget and anticipates collecting sufficient revenue and utilizing approved appropriation of endowment assets to cover general expenditures.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

	<u>2022</u>	<u>2021</u>
Endowment Restricted in Perpetuity	\$ 80,485,832	\$ 80,485,832
Accumulated Gains and Income on Endowment Assets		
Available for Appropriation by the Board of Trustees	12,746,104	42,080,724
Time Restrictions:		
Future Periods	12,000	51,000
Manglesdorf Trust	-	106,581
Purpose Restrictions:		
Building Renovations	-	1,946,060
Science Innovation Fund	644,357	654,355
Strategic Planning	360,775	360,775
Lyme Disease Research	-	2,104
Urban Ecology Research	-	154,660
Science and Education Initiatives	779,756	429,612
Forest Ecology Research	64,165	69,524
Program and Outreach Initiatives	40,716	43,761
	<u>\$ 95,133,705</u>	<u>\$ 126,384,988</u>
Total		

NOTE 10 NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from restrictions by incurring expenses satisfying the following purpose or time restrictions for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Board Appropriations of Accumulated		
Gains and Income	\$ 9,522,233	\$ 6,939,618
Building Renovations	4,600,861	-
Science and Education Initiatives	279,906	149,837
Urban Ecology Research	154,666	345,375
Lyme Disease Research	40,252	283,198
Passage of Time	39,000	37,750
Science Innovation Fund	14,824	14,100
Forest Ecology Research	5,359	34,720
	<u>\$ 14,657,101</u>	<u>\$ 7,804,598</u>
Total		

NOTE 11 ENDOWMENT

GAAP provides accounting standards on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the New York Prudent Management of Institutional Funds Act (NYPMIFA). GAAP also provides for other disclosures concerning an organization's endowment funds whether or not the organization is subject to NYPMIFA. The state of New York introduced legislation in 2009, and NYPMIFA was enacted in 2010.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 11 ENDOWMENT (CONTINUED)

The Institute's policy has always been to classify accumulated gains and income on donor-restricted endowment assets as net assets with donor restrictions until appropriated for expenditure.

The Institute's endowment consists of a board-designated fund and nine individual funds established for a variety of purposes. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Endowment net asset composition by type of fund as of June 30 is as follows:

<u>June 30, 2022</u>	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Board-Designated Endowment Funds	\$ 17,503,752	\$ -	\$ 17,503,752
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	80,485,832	80,485,832
The Portion of Perpetual Endowment Funds Subject to a Time Restriction Under UPMIFA	<u>-</u>	<u>12,746,104</u>	<u>12,746,104</u>
Total	<u>\$ 17,503,752</u>	<u>\$ 93,231,936</u>	<u>\$ 110,735,688</u>
<u>June 30, 2021</u>			
Board-Designated Endowment Funds	\$ 20,446,409	\$ -	\$ 20,446,409
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	80,485,832	80,485,832
The Portion of Perpetual Endowment Funds Subject to a Time Restriction Under UPMIFA	<u>-</u>	<u>42,080,724</u>	<u>42,080,724</u>
Total	<u>\$ 20,446,409</u>	<u>\$ 122,566,556</u>	<u>\$ 143,012,965</u>

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 11 ENDOWMENT (CONTINUED)

Changes in endowment net assets for the years ended June 30 are as follows:

June 30, 2022	Without Donor Restriction	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ 20,446,409	\$ 122,566,556	\$ 143,012,965
Investment Return, Net	(2,942,657)	(19,812,387)	(22,755,044)
Endowment Net Assets Appropriated for Expenditure	-	(5,787,233)	(5,787,233)
Additional Appropriation for Building Renovations	-	(3,735,000)	(3,735,000)
Endowment Net Assets - End of Year	<u>\$ 17,503,752</u>	<u>\$ 93,231,936</u>	<u>\$ 110,735,688</u>
June 30, 2021	-	-	-
Endowment Net Assets - Beginning of Year	\$ 15,941,674	\$ 99,755,375	\$ 115,697,049
Investment Return, Net	4,504,735	29,750,799	34,255,534
Endowment Net Assets Appropriated for Expenditure	-	(5,674,618)	(5,674,618)
Additional Appropriation for Building Renovations	-	(1,265,000)	(1,265,000)
Endowment Net Assets - End of Year	<u>\$ 20,446,409</u>	<u>\$ 122,566,556</u>	<u>\$ 143,012,965</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 NYPMIFA requires the Institute to retain as a fund of perpetual duration. In accordance with GAAP, there were no deficiencies of this nature that are reported in net assets with donor restrictions as of June 30, 2022 and 2021.

Return Objectives and Risk Parameters

The Institute 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 Institute must hold in perpetuity. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner that is intended to provide sufficient liquidity, preserve capital in inflation-adjusted terms, and grow capital with moderate risk. Actual returns in any given year may vary.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 11 ENDOWMENT (CONTINUED)

Strategies Employed for Achieving Objectives

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

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Institute has a policy of appropriating for distribution each year 5% of the endowment fund's average fair value over the prior 20 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. The actual amount spent was \$5,787,233 and \$5,674,618 for the years ended June 30, 2022 and 2021, respectively. In establishing this policy, the Institute considered the long-term expected return on its endowment. The policy is consistent with the Institute'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. The Institute has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. During the year ended June 30, 2020, the board appropriated an additional \$5 million from the endowment without donor restrictions to support building renovations. \$3,735,000 and \$1,265,000 were drawn from the additional \$5 million appropriation during the years ended June 30, 2022 and 2021, respectively.

NOTE 12 PENSION AND OTHER POSTRETIREMENT BENEFITS

Retirement benefits for professional staff are provided under a defined contribution program with the Teachers Insurance and Annuity Association and College Retirement Equities Fund (TIAA and CREF). The Institute makes biweekly contributions to TIAA and CREF based on eligible employees' earnings. Contributions for the years ended June 30, 2022 and 2021 were \$458,715 and \$554,728, respectively.

The Institute participates in the Cultural Institution Retirement System (CIRS) Pension, 401(k) Savings, and Group Life and Welfare Benefits Plans. Each plan is a multiemployer plan covering employees from multiple cultural institutions and NYC daycare centers.

The CIRS pension plan (EIN number 11-2001170, Plan number 001) offers benefits related to years of service and final average salary. Eligible employees enter the plan on the first day of the month after completing 12 months of service and attainment of age 21. Participants become 100% vested after five years of service. CIRS is responsible for administering the benefits of the pension plan and investing the plan assets. For the plan years 2022 and 2021, the zone status under the Pension Reform Act is certified by the pension plan's actuary to be in the green zone and, therefore, there are no surcharges for the pension plan, and no financial improvement plan or rehabilitation plan is required. The Institute's pension expense related to this plan was \$103,425 and \$126,078 for the years ended June 30, 2022 and 2021, respectively.

CARY INSTITUTE OF ECOSYSTEM STUDIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 12 PENSION AND OTHER POSTRETIREMENT BENEFITS (CONTINUED)

Eligible employees may participate in the 401(k) Savings and Group Life and Welfare Benefits Plans on the first day of the month after completing three months of service and attainment of age 21. The requirement for all participants to contribute at least 2% of their salary on either an after-tax basis or a pre-tax basis was eliminated as of January 1, 2017. The employer may make matching contributions to the 401(k) plan; however, as specified in the current Collective Bargaining Agreement, the match has been suspended until further notice. The Institute's expenses for the 401(k) Savings Plan, Group Life and Welfare Benefits Plans and the administrative costs for all three plans was \$14,163 and \$18,401 for the years ended June 30, 2022 and 2021, respectively.

In addition, the Institute has a Post-Retirement Medical Plan (the Plan) for eligible retired employees. Under the terms of the Plan, certain medical care expenses are reimbursed subject to a \$1,200 limit per eligible retiree for any calendar year. Substantially all of the Institute's employees may become eligible for those benefits when they retire and reach normal retirement age. Included in accrued expenses is a postretirement medical liability of \$599,457 and \$585,394 for the fiscal years 2022 and 2021, respectively. For the years ended June 30, 2022 and 2021, approximately \$16,673 of postretirement benefit expense was recognized. Payments of \$12,610 and \$15,400 were made to beneficiaries in fiscal years 2022 and 2021, respectively. This Plan is no longer applicable to new employees who began their employment on or after January 1, 2012.