Pipeline Safety Trust

Financial Statements with
Independent Auditor's Report

Years Ended March 31, 2023 (Audited)
and March 31, 2022 (Reviewed)

Larson Gross

Pipeline Safety Trust

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Larson Gross

Independent Auditor's Report

To the Board of Directors
Pipeline Safety Trust
Bellingham, Washington

Report on the Audit of the Financial Statements

Opinion
We have audited the accompanying financial statements of Pipeline Safety Trust (a nonprofit organization), which comprise the statement of financial position as of March 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pipeline Safety Trust 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.

Prior Period Financial Statements
The 2022 financial statements were reviewed by us, and our report thereon, dated November 1, 2022, stated we were not aware of any material modifications that should be made to those financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole.

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.

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

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 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 generally accepted auditing standards 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 Pipeline Safety Trust'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 Pipeline Safety Trust'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 December 22, 2023 on our consideration of Pipeline Safety Trust'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 Pipeline Safety Trust'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 Pipeline Safety Trust's internal control over financial reporting and compliance.

Larson Gross PLLC

Bellingham, Washington
December 22, 2023

Pipeline Safety Trust

Statements of Financial Position

March 31, 2023 (Audited) and 2022 (Reviewed)

(See Independent Auditor's Report)

	2023	2022
Assets		
Current assets		
Cash	$ 208,497	$ 367,699
Contract assets	26,672	-
Total current assets	235,169	367,699
Investments	4,693,800	5,069,841
Right-of-use assets	121,397	-
Security deposit	3,000	3,000
Total assets	$ 5,053,366	$ 5,440,540
Liabilities and Net Assets		
Current liabilities		
Accounts payable	$ 1,903	$ 4,600
Accrued liabilities	41,175	34,841
Contract liabilities	11,533	275,897
Current portion of lease liabilities	31,052	-
Total current liabilities	85,663	315,338
Lease liabilities, net of current portion	91,849	-
Total liabilities	177,512	315,338
Net assets		
Without donor restrictions		
Undesignated	825,854	1,075,202
Board-designated	4,050,000	4,050,000
Total net assets	4,875,854	5,125,202
Total liabilities and net assets	$ 5,053,366	$ 5,440,540

Pipeline Safety Trust

Statements of Activities

Years Ended March 31, 2023 (Audited) and 2022 (Reviewed)

(See Independent Auditor's Report)

	2023	2022
Support and revenue		
Government grant revenue	$ 791,036	$ 311,413
Program service fees	88,300	-
Contributions	26,471	10,819
Other revenue	4,323	764
In-kind contributions	2,155	-
Investment return, net	(116,041)	59,250
Total support and revenue without donor restrictions	796,244	382,246
Expenses		
Program services	974,775	467,440
Management and general	56,390	36,077
Fundraising	14,427	7,718
Total expenses	1,045,592	511,235
Change in net assets without donor restrictions	(249,348)	(128,989)
Net assets without donor restrictions, beginning of year	5,125,202	5,254,191
Net assets without donor restrictions, end of year	$ 4,875,854	$ 5,125,202

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

Pipeline Safety Trust

Statements of Functional Expenses

Years Ended March 31, 2023 (Audited) and 2022 (Reviewed)

(See Independent Auditor's Report)

	2023				2022			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 513,462	$ 27,606	$ 11,042	$ 552,110	$ 259,385	$ 13,945	$ 5,578	$ 278,908
Employee benefits	52,761	2,837	1,134	56,732	24,638	1,325	530	26,493
Payroll taxes	45,390	2,440	976	48,806	17,737	954	381	19,072
Total payroll and related	611,613	32,883	13,152	657,648	301,760	16,224	6,489	324,473
Conferences and conventions	115,239	-	-	115,239	958	-	-	958
Travel and entertainment	94,995	5,000	-	99,995	8,022	891	-	8,913
Professional fees	57,701	14,425	-	72,126	60,523	14,197	-	74,720
Rent	47,154	2,535	1,014	50,703	33,644	1,809	724	36,177
Office expenses	28,712	521	135	29,368	26,941	1,078	412	28,431
Information technology	12,483	657	-	13,140	28,143	1,481	-	29,624
Telephone and utilities	3,256	175	70	3,501	2,450	132	52	2,634
Insurance	2,614	141	56	2,811	1,884	101	41	2,026
Miscellaneous	1,008	53	-	1,061	3,115	164	-	3,279
	$ 974,775	$ 56,390	$ 14,427	$ 1,045,592	$ 467,440	$ 36,077	$ 7,718	$ 511,235

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

Pipeline Safety Trust

Statements of Cash Flows

Years Ended March 31, 2023 (Audited) and 2022 (Reviewed)

(See Independent Auditor's Report)

	2023	2022
Cash flows from operating activities		
Change in net assets	$ (249,348)	$ (128,989)
Adjustments to reconcile change in net assets		
to net cash (used) provided by operating activities:		
Net realized and unrealized loss (gain) on investments	173,331	(11,372)
Forgiveness of Paycheck Protection Program loan	-	(41,200)
Noncash rent expense	1,504	-
Increase in current assets:		
Interest and dividends receivable	-	2,121
Contract assets	(26,672)	3,055
Security deposit	-	(1,975)
Increase (decrease) in current liabilities:		
Accounts payable	(2,697)	4,138
Accrued liabilities	6,334	15,293
Contract liabilities	(264,364)	260,613
Net cash (used) provided by operating activities	(361,912)	101,684
Cash flows from investing activities		
Proceeds from sales of investments withdrawn from		
investment account	260,000	239,683
Reinvested interest and dividends, net of fees	(57,290)	(47,878)
Net cash provided by investing activities	202,710	191,805
Net change in cash	(159,202)	293,489
Cash, beginning of year	367,699	74,210
Cash, end of year	$ 208,497	$ 367,699
Noncash investing and financing activities:		
Right-of-use assets obtained in exchange for lease liabilities	$ 152,741	$ -

Pipeline Safety Trust

Notes to Financial Statements

March 31, 2023 (Audited) and 2022 (Reviewed)

(See Independent Auditor's Report)

Note 1 – Summary of Significant Accounting Policies

Nature of activities – The Pipeline Safety Trust (the Trust) was incorporated in July 2003 as a not-for-profit corporation in the State of Washington. The Trust is organized to promote pipeline safety through education and advocacy, by increasing access to information, and by building partnerships with residents, safety advocates, government, and industry, that result in safer communities and a healthier environment.

In June 2003, as a result of the 1999 Olympic Pipe Line explosion in Bellingham, Washington, the U.S. District Court ordered that four million dollars of the criminal fines imposed as a result of the tragedy be provided to the Trust. It is the Board of Directors' intent to maintain the $4 million contributed assets to function as an endowment with the income earned to be dedicated to support the mission of the Trust.

Basis of accounting – The Trust prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting; accordingly, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of presentation – Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Trust and changes therein are classified and reported as follows:

> **Net assets without donor restrictions** – Net assets that are not subject to donor-imposed restrictions and over which the Board of Directors has discretionary control is classified as net assets without donor restrictions.
>
> **Net assets with donor restrictions** – Net assets subject to donor-imposed restrictions that will be met either by actions of the Trust or the passage of time, including contributions that have been restricted by the donor that stipulate the resources be maintained in perpetuity, but permit the Trust to use or expend part of all of the income derived from the donated assets for either specific or unspecific purposes. The Trust had no net assets with donor restrictions as of March 31, 2023 or 2022.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of net assets with donor restrictions (i.e., the donor stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets. Contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the contributions are recognized.

Cash – Cash consists of cash in a bank for statement of cash flows purposes.

Contributions – Contribution revenue is recognized in the period received or when an unconditional promise to give is made, whichever is earlier. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Note 1 – Summary of Significant Accounting Policies – (Continued)

In-kind contributions – Donated services are recorded at their estimated fair value at the date of receipt. Donated services are recognized if services received (a) create or enhance nonfinancial assets or (b) require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not donated. Donations of supplies, equipment, and other goods are recorded at fair value on the date of receipt.

Investments – Investments are recorded at fair value, all of which are measured using Level 1 inputs, which are defined as quoted market prices in active markets for identical investments. Changes in fair value are included in the change in net assets.

Government grant revenue – Government grant revenue includes cost reimbursement grants from the U.S Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA). Revenues are recognized as related expenditures are incurred. Generally, funding becomes unconditional when the related expenditure is made. Revenue from government agencies is subject to audit, which could result in adjustments to revenue. The adjustments are recorded at the time that such amounts can first be reasonably determined, normally upon notification by the government agency. During the year ended March 31, 2023, no such adjustments were made. Grant receipts in advance of being earned are recorded as contract liabilities and revenue recognized in advance of grant receipts or billing are recognized as contract assets. Contract liabilities totaled $15,284 as of March 31, 2021. There were no contract assets as of March 31, 2021.

Program service fees – Program service fees revenue is derived from conferences and is recognized at a point in time when conferences take place.

Functional allocation of expenses – The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited on a reasonable basis that is consistently applied. Salaries, payroll taxes and employee benefits are allocated on the basis of estimates of time and effort. All other allocated expenses are allocated based on estimates of usage utilizing square footage, mileage, and other metrics.

Leases – The Financial Accounting Standards Board (FASB) issued new guidance that created Topic 842, *Leases*, in the Accounting Standards Codification (ASC). The Trust adopted the new guidance as of April 1, 2022, the effective date, utilizing the optional transition method with financial statements prior to the effective date presented in accordance with previous guidance. The Trust elected the package of practical expedients within the new standard, which among other things, allowed it to carry forward the historical lease classification. The adoption of FASB ASC 842 resulted in the recognition of operating lease liabilities and right-of-use assets of $152,741 as of April 1, 2022. The adoption of Topic 842 did not have a material impact on the Trust's activities or cash flows for the year ended March 31, 2023.

The Trust determines if an arrangement contains a lease at inception based on whether it has the right to control the asset during the contract period and other facts and circumstances. The Trust elected not to record right-of-use assets and lease liabilities for leases with an initial term of 12 months or less and recognizes rent expense on a straight-line basis over the lease term.

Note 1 – Summary of Significant Accounting Policies – (Continued)

Federal income tax – The Trust is a nonprofit entity exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Trust received a determination letter from the Internal Revenue Service on its organization status as a publicly supported organization under Section 509(a)(1), as of December 17, 2003. The tax returns for the prior three fiscal years remain subject to examination by major tax jurisdictions.

Use of estimates – The preparation of financial statements in accordance 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events – In preparing these financial statements, the Trust has evaluated events and transactions for potential recognition or disclosure through December 22, 2023, the date the financial statements were available to be issued.

Note 2 – Availability and Liquidity

Financial assets available for general expenditures within one year consist of the following as of March 31:

	2023	2022
Financial assets at year-end:		
Cash	$ 208,497	$ 367,699
Investments	4,693,800	5,069,841
Total financial assets	4,902,297	5,437,540
Less amounts not available to be used within one year:		
Board-designated amounts	(4,050,000)	(4,050,000)
Financial assets not available to be used within one year	(4,050,000)	(4,050,000)
Financial assets available to meet general expenditures within one year	$ 852,297	$ 1,387,540

The Board intends to maintain the investment principal as a restricted balance indefinitely and is not available for general expenditure within one year. However, the board-designated amounts could be made available, if necessary. As part of the Trust's liquidity management plan, cash in excess of daily requirements may be invested in equity investments, mutual funds and money market accounts. Investing in certain mutual funds is permitted with Board approval.

Note 3 – Investments

Investments consist of the following as of March 31:

	2023	2022
Common stock	$ 3,498,114	$ 3,751,090
Fixed income mutual funds	1,119,285	1,240,582
Cash and money market accounts	76,401	78,169
Total investments	$ 4,693,800	$ 5,069,841

The components of investment return were as follows for the years ended March 31:

	2023	2022
Interest and dividends, net	$ 57,290	$ 47,878
Net realized and unrealized (loss) gain	(173,331)	11,372
Total investment return, net	$ (116,041)	$ 59,250

Note 4 – Risks and Uncertainties

The Trust's investments expose it to the risk of potential loss due to changes in the fair values from general market conditions, such as political or macroeconomic factors and could materially affect the amounts reported on the statements of financial position.

Note 5 – Paycheck Protection Program Loan

In May 2020, the Trust received a $41,200 loan through the Paycheck Protection Program (PPP). This loan accrued interest at 1%, and was guaranteed by the Small Business Administration (SBA). In April 2021, the loan was forgiven by the SBA. Forgiveness of the loan was recognized as government grant revenue in the accompanying statement of activities for the year ended March 31, 2022.

Note 6 – Government Grant Agreements

In September 2019, the Trust was awarded a technical assistance grant totaling $15,081 by the PHMSA. As of March 31,2022, the Trust had received and recognized as revenue $15,081 under the grant.

In September 2020, the Trust was awarded an additional technical assistance grant totaling $99,132 by the PHMSA. As of March 31, 2023, the Trust had received $49,566 under the grant. The Trust recognized as revenue $76,238 with $26,672 recorded as contract assets for the amount of revenue recognized in advance of grant receipts or billing as of March 31, 2023.

Note 6 – Government Grant Agreements – (Continued)

In September 2021, the Trust was awarded an additional technical assistance grant totaling $1,000,000 by the PHMSA. As of March 31, 2023, the Trust had received $1,000,000 under the grant. The Trust recognized as revenue $988,467 with $11,533 recorded as contract liabilities for grant receipts in advance of being earned as of March 31, 2023.

Government grant revenue consisted of the following during the years ended March 31:

	2023		
	Funds Received	Grant Revenue	Contract Liabilities (Assets)
2020 PHMSA – $99,132	$ -	$ 36,296	$ (26,672)
2021 PHMSA – $1,000,000	500,000	754,740	11,533
Total	$ 500,000	$ 791,036	$ (15,139)

	2022		
	Funds Received	Grant Revenue	Contract Liabilities
2019 PHMSA – $15,081	$ 81	$ 4,928	$ -
2020 PHMSA – $99,132	30,745	31,558	9,624
2021 PHMSA – $1,000,000	500,000	233,727	266,273
Forgiveness of Paycheck Protection Program loan	-	41,200	-
Total	$ 530,826	$ 311,413	$ 275,897

Note 7 – Retirement Plan

The Trust sponsors the Pipeline Safety Trust Retirement Plan, a SEP-IRA plan covering all employees. The Trust is obligated to contribute 5% of employee gross wages on a quarterly basis to the Plan. For the years ended March 31, 2023 and 2022, the Trust's contributions to the Plan totaled $14,556 and $11,091, respectively.

Note 8 – Operating Lease

The Trust leases its office facility under an operating lease expiring during September 2026. As of March 31, 2023, the remaining lease term is approximately 3.8 years and the discount rate used to measure the lease liabilities was approximately 1.4%. Maturities of lease liabilities as of March 31, 2023, were as follows:

2024	$ 32,505
2025	33,315
2026	34,149
2027	26,091
Total lease payments	126,060
Less imputed interest	(3,159)
Total lease liabilities	122,901
Less current portion	(31,052)
Long-term portion	$ 91,849

Rent expense totaled $50,703 for the year ended March 31, 2023, including operating lease cost of $33,215 and short-term and variable lease cost of $17,488.

Future minimum lease payments as of March 31, 2022, were as follows:

2023	$ 42,500
2024	43,600
2025	44,700
2026	45,800
2027	23,200
	$ 199,800

Rent expense for the year ended March 31, 2022, was recognized under previous guidance, and totaled $36,177.

Note 9 – Board-Designated Net Assets

Board-designated net assets consist of the following as of March 31:

	2023	2022
Endowment reserve	$ 4,000,000	$ 4,000,000
Operating reserve	50,000	50,000
	$ 4,050,000	$ 4,050,000

Note 10 – Endowment

As described in Note 1, the endowment fund is board-designated to function as an endowment with income earned to be dedicated to supporting the mission of the Trust.

As required by accounting principles generally accepted in the United States, net assets associated with endowment funds, including board-designated quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. All endowment net assets are classified as without donor restrictions, given the absence of donor restrictions that the funds must be held in perpetuity.

Interpretation of relevant law – The Uniform Prudent Management of Institutional Funds Act (UPMIFA) was enacted by Washington State as of July 2009. The Board of Trustees applies UPMIFA to all the Trust's endowment funds. UPMIFA eliminates the historic dollar value threshold, an amount below which an organization could not spend from the fund, and establishes a set of prudent management and investment standards for boards to follow when managing endowment funds. Under UPMIFA, the Trust may spend as much of an endowment fund as it considers prudent, regardless of whether the fund is below its historic dollar value. For any funds with donor restrictions, the donor's intent that the fund be perpetual in nature must still be considered and the fund managed accordingly. In accordance with UPMIFA, the Trust considers the following factors in making a determination to appropriate or accumulate endowment funds with donor restrictions:

- Duration and preservation of the fund
- Purposes of the Trust and the donor-restricted endowment fund
- General economic conditions
- Possible effects of inflation and deflation
- Expected total return from income and the appreciation of investments
- Other resources of the Trust
- Investment policies of the Trust

As of March 31, 2023 and 2022, endowment net assets consisted entirely of a board-designated quasi-endowment. Changes to endowment net assets were as follows for the years ended March 31:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 4,000,000	$ -	$ 4,000,000
Investment return, net	(116,041)	-	(116,041)
Appropriations for expenditure and other	116,041	-	116,041
Endowment net assets, end of year	$ 4,000,000	$ -	$ 4,000,000

Note 10 – Endowment – (Continued)

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 4,000,000	$ -	$ 4,000,000
Investment return, net	59,250	-	59,250
Appropriations for expenditure and other	(59,250)	-	(59,250)
Endowment net assets, end of year	$ 4,000,000	$ -	$ 4,000,000

Return Objectives and Risk Parameters – The Trust has adopted investment policies for endowment assets that attempt to provide support of program needs in perpetuity. The Trust has developed investment guidelines which have been designed to allow flexibility in the management oversight process to capture investment opportunities as they may occur, while at the same time setting forth reasonable risk control parameters to ensure prudence and care in the execution of the investment program. The investment objective of the Trust is striking a balance between cash flow for operating expenses, capital preservation, and growth of principal. Generating cash flow for operating expenses is the key objective of the portfolio. Beyond the cash needed for operating expenses, growth of capital is desired to ensure that Trust is capable of supporting its mission with stable or increasing income over the years.

Strategies Employed for Achieving Objectives – To satisfy its long-term rate-of-return objectives, the Trust seeks an annual average annual return of 8%. The target asset allocation for endowment investments is 5-50% equity, 20-40% fixed income and 0-10% real estate investment trust. The purpose of the equity investments is to provide a means to increase or to at least maintain the purchasing power and grow the asset base of the investment account over the long term.

Spending Policy and How the Investment Objectives Relate to Spending Policy – The Trust will withdraw funds from the investment account on a regular basis for operating expenses. The Board of Directors will determine and approve the amount for appropriations. The Trust anticipates it will withdraw 4-6% of the value of its assets annually. Should the portfolio fall below $4 million, management and the Board of Directors would determine if the long-term viability of the Trust was endangered and whether a revision or suspension of withdrawal amounts or change in investment strategy is needed.

Funds with Deficiencies – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the Trust is required to retain as a fund of perpetual duration pursuant to donor stipulation or UPMIFA. In accordance with accounting principles generally accepted in the United States, deficiencies of this nature are reported in net assets with donor restrictions. There were no deficiencies of this nature as of March 31, 2023 and 2022, given that there were no donor-restricted endowment funds.