

**WALTER AND ELISE HAAS FUND**

**DECEMBER 31, 2021 AND 2020**

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INDEPENDENT AUDITORS' REPORT,  
FINANCIAL STATEMENTS AND  
SUPPLEMENTAL INFORMATION

# Walter and Elise Haas Fund

## Independent Auditors' Report, Financial Statements and Supplemental Information

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A Century Strong

## Independent Auditors' Report

THE BOARD OF TRUSTEES  
WALTER AND ELISE HAAS FUND  
San Francisco, California

### Opinion

We have audited the financial statements of the **WALTER AND ELISE HAAS FUND (the Fund)**, which comprise the statements of financial position as of December 31, 2021 and 2020, the related statements of changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021 and 2020, 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 (GAAS). 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 the Fund 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 Fund's ability to continue as a going concern for one year from the date of this report.

## **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 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 GAAS 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, 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 the Fund'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 the Fund'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.

### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Hood & Strong LLP*

San Francisco, California  
September 19, 2022

# Walter and Elise Haas Fund

## Statements of Financial Position

<i>December 31,</i>	2021	2020
<b>Assets</b>		
Cash	\$ 2,602,003	\$ 1,621,500
Receivables:		
Investments in transit	2,875,375	3,483,013
Investments, at fair value	284,815,174	257,633,178
Property and equipment, net	399,779	462,304
Other assets	81,088	101,621
<b>Total assets</b>	<b>\$ 290,773,419</b>	<b>\$ 263,301,616</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Creative Work Fund	\$ 315,000	\$ -
Accounts payable and accrued expenses	613,129	617,385
Deferred taxes	1,357,430	1,104,523
<b>Total liabilities</b>	<b>2,285,559</b>	<b>1,721,908</b>
<b>Net Assets without Donor Restriction</b>	<b>288,487,860</b>	<b>261,579,708</b>
<b>Total liabilities and net assets</b>	<b>\$ 290,773,419</b>	<b>\$ 263,301,616</b>

See accompanying notes to the financial statements.

## Walter and Elise Haas Fund

### Statements of Changes in Net Assets

<i>Years Ended December 31,</i>	2021	2020
<b>Net Investment Income:</b>		
Dividends, interest and partnership income	\$ 15,979,264	\$ 960,106
Net gain on investments:		
Realized	11,438,328	17,072,281
Unrealized	18,194,730	24,270,579
Other income	917	2,868
Investment management and related fees	(1,113,138)	(681,215)
<hr/>		
Net investment income before excise and income tax expense	44,500,101	41,624,619
Federal excise and income tax expense	(596,907)	(247,874)
<hr/>		
Net investment income	43,903,194	41,376,745
<hr/>		
<b>Expenses:</b>		
Grant activities:		
Grants	13,923,692	13,088,245
Salaries, benefits and taxes	1,475,949	1,523,789
Occupancy costs	339,389	324,373
Professional services	219,989	149,090
Depreciation	58,925	58,683
Direct charitable expense	31,598	28,904
<hr/>		
	16,049,542	15,173,084
<hr/>		
Management and general:		
Salaries, benefits and taxes	466,089	481,197
Occupancy costs	96,108	114,068
Professional services	366,122	372,886
Depreciation	17,181	17,110
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	945,500	985,261
<hr/>		
Total expenses	16,995,042	16,158,345
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<b>Change in Net Assets</b>	26,908,152	25,218,400
<b>Net Assets without Donor Restriction, beginning of year</b>	261,579,708	236,361,308
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<b>Net Assets without Donor Restriction, end of year</b>	\$ 288,487,860	\$ 261,579,708

See accompanying notes to the financial statements.

# Walter and Elise Haas Fund

## Statements of Cash Flows

<i>Years Ended December 31,</i>	2021	2020
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ 26,908,152	\$ 25,218,400
Adjustment to reconcile change in net assets to net cash used by operating activities:		
Depreciation and amortization	76,106	75,793
Realized gain on investments	(11,438,328)	(17,072,281)
Unrealized gain on investments	(18,194,730)	(24,270,579)
Deferred taxes	252,907	693
Changes in operating assets and liabilities:		
Other assets	20,533	109,227
Creative Work Fund	315,000	-
Accounts payable and accrued expenses	(4,256)	98,193
Net cash used by operating activities	(2,064,616)	(15,840,554)
<b>Cash Flows from Investing Activities:</b>		
Sales of investments	30,995,826	27,376,123
Purchases of investments	(28,544,764)	(10,094,606)
Investments in transit	607,638	(888,895)
Purchases of property and equipment	(13,581)	-
Net cash provided by investing activities	3,045,119	16,392,622
<b>Net Increase in Cash</b>	<b>980,503</b>	<b>552,068</b>
<b>Cash - beginning of year</b>	<b>1,621,500</b>	<b>1,069,432</b>
<b>Cash - end of year</b>	<b>\$ 2,602,003</b>	<b>\$ 1,621,500</b>
<b>Supplemental Disclosures:</b>		
Cash paid for federal excise taxes	\$ 258,000	\$ 84,000

See accompanying notes to the financial statements.

# Walter and Elise Haas Fund

## Notes to Financial Statements

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### Note 1 - **Organization:**

The Walter and Elise Haas Fund (the Fund) is a private foundation established in 1952. The Fund makes contributions to organizations involved in the arts, economic security, Jewish life, public education and other grantmaking interests. Only organizations that are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or certain governmental agencies are considered for support.

#### *Grantmaking Areas:*

##### Arts

The Fund's arts grantmaking helps Bay Area residents to appreciate and benefit from art's full potential to build cross-cultural understanding, explore ideas, and enrich their lives. Grantmaking reflects the Fund's beliefs that arts education is essential, that the arts build resilient communities, and that artists engage us through collaboration.

##### Disaster Preparedness and Relief

The Fund's disaster preparedness and relief grantmaking helps Bay Area nonprofit organizations and their constituents plan and prepare for disasters; and strengthens organizations providing immediate humanitarian relief and/or long-term rebuilding and recovery from disaster.

##### Economic Security

The purpose of the Fund's grantmaking in economic security is to help low-income adults and families achieve economic security and upward mobility. Grantmaking reflects the Fund's beliefs that quality employment is essential, that assets fuel mobility, and that policy must expand opportunity.

##### Education

The purpose of the Fund's grantmaking in education is to support the preparation of all Oakland and San Francisco public school students - especially those furthest from opportunity - for college, career, and civic life.

##### Jewish Life

The purpose of the Fund's grantmaking in Jewish life is to support a vibrant, inclusive Jewish community that is meaningful, compelling, and responsive to contemporary concerns. Grantmaking reflects the Fund's beliefs that diversity is a strength, social justice is a mandate, and innovation is imperative.

# Walter and Elise Haas Fund

## Notes to Financial Statements

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### Racial Justice

The Fund's racial justice grantmaking supports Bay Area Asian-, Black-, and Indigenous-led social change organizations that are vested in community organizing, grassroots movement building, and health and well-being.

### Safety Net

The Fund's safety net grantmaking supports Bay Area service providers meet the increasing demand for emergency food, housing, and legal assistance for vulnerable communities, and supports policy and advocacy efforts for increased effectiveness and coordination of statewide safety net grantmaking systems.

### Other Grantmaking Interests

The Fund is also engaged in capital, safety net and disaster preparedness grants, as well as certain legacy and mission-related special grantmaking. Legacy grantmaking encompasses several programs, each of which has a direct relationship to the Fund's founders, Walter and Elise Haas. Mission-related special grantmaking provides the Fund flexibility to respond to emerging and changing community needs, and to address key areas of interest that cut across or otherwise support the Fund's overall mission and categorical programs.

## **Note 2 - Summary of Significant Accounting Policies:**

### a. Basis of Accounting and Presentation

The financial statements of the Fund have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to not-for-profit organizations.

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are those that are not restricted by donor-imposed stipulations. There are no net assets with donor restrictions as of December 31, 2021 and 2020.

### b. Cash

For purposes of reporting cash flows, cash includes the Fund's operating checking account.

# Walter and Elise Haas Fund

## Notes to Financial Statements

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c. Investments

Investments are reported at fair value. Changes in fair values as well as realized gains and losses are reflected in the statements of changes in net assets. Dividend and interest income are accrued when earned. The fair value of equity and fixed income funds are based on their quoted prices. The fair value of alternative investments is determined using the Net Asset Value (NAV) per share as determined by investment managers under the so-called “practical expedient.” The practical expedient allows NAV per share to represent fair value for reporting purposes when the criteria for using this method are met.

d. Fair Value Measurements

The Fund carries certain assets and liabilities at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement standards also require the Fund to classify these financial instruments into a three-level hierarchy. The Fund classifies its financial assets and liabilities according to three levels and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value.

Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2 - Observable inputs other than quoted prices included within Level 1 for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the asset or liability that are not corroborated by market data.

e. Property and Equipment

Equipment and furnishings are stated at cost and depreciated over five to seven years using the straight-line method. Leasehold improvements are stated at cost and are amortized using the straight-line method over the remaining life of the lease.

f. Grants

Grants awarded with an unconditional promise to give are accrued as a liability and expensed when approved. Grant cancellations or unspent funds are recorded in the year cancelled or when the funds are returned.

# Walter and Elise Haas Fund

## Notes to Financial Statements

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g. Creative Work Fund

The Fund is participating in and administering the Creative Work Fund, a collaborative funding initiative with other organizations that supports the creation of new work in the Bay Area by artists and exempt organizations. Only 501(c)(3) organizations are eligible for grants. The Fund records amounts received and paid on behalf of the other participating foundations as agency transactions. Therefore, no revenue or expense is recorded for the amounts received from the other participating foundations or for their share of the grants.

Administrative expenses are shared by participating foundations, based on each foundation's proportionate rate of contributions.

h. Federal Excise Taxes

The Fund is a private foundation and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from California franchise and/or income taxes under Section 23701(d) of the California Revenue and Taxation Code.

The Fund is subject to federal excise tax on its investment income. A provision for federal excise tax is accrued. Deferred excise taxes arise primarily from unrealized tax basis gains on investments and are calculated at the statutory rate of 1.39%. In addition, the Fund may be subject to tax on unrelated business income, if any, generated by its investments.

The Fund follows the guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740 for accounting for uncertainty in income taxes. As of December 31, 2021, and 2020, management evaluated the Fund's tax positions and concluded that the Fund had maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements.

i. Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of 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.

j. Functional Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or management services of the Fund. Those expenses include salaries, benefits and taxes, occupancy costs, professional services, depreciation and direct charitable expense. Salaries, benefits and taxes are allocated based on amount of time spent per the job descriptions detailing where efforts are made. Occupancy costs and depreciation are allocated based on a square footage basis. Professional service expenses and direct charitable expense are allocated based on a cost study of specific services used.

# Walter and Elise Haas Fund

## Notes to Financial Statements

### k. Subsequent Events

The management of the Fund has reviewed the changes in its net assets for the period from December 31, 2021 through September 19, 2022, the date the financial statements were available to be issued and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements and no subsequent events have occurred which would require disclosure, except as discussed in Note 12.

### Note 3 - **Liquidity and Availability:**

Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Fund's goal is to maintain financial assets to meet all grant and operating needs. As financial obligations become due, investments are liquidated. None of the Fund's financial assets are subject to donor restrictions that make them unavailable for general expenditure within one year of the date of financial statements.

Financial Assets as of December 31	2021	2020
Cash	\$ 2,602,003	\$ 1,621,500
Investments in transit	2,875,375	3,483,013
Investments, at fair value	284,815,174	257,633,178
Total financial assets	290,292,552	262,737,691
Amount not available to be used within one year:		
Investments with liquidity restrictions	(120,970,570)	(113,157,625)
Financial assets available to meet general expenditures over the next twelve months	\$ 169,321,982	\$ 149,580,066

Investments with liquidity restrictions include a portion of the pooled fund investments. See Note 5(e) for details and multi-strategy, equity/debt securities, real assets, and private equity investments.

# Walter and Elise Haas Fund

## Notes to Financial Statements

### Note 4 - Investments and Fair Value Measurements:

#### *Investments:*

At December 31, 2021 and 2020 investments consisted of the following:

	2021	2020
Investments measured at fair value:		
Money market accounts	\$ 190,908	\$ 120,073
Global equity fund	16,818,381	12,931,482
Intermediate-term bond fund	8,870,613	6,633,299
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Subtotal investments measured at fair value	25,879,902	19,684,854
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Alternative investments measured at net asset value:		
Absolute return/market neutral:		
Multi-strategy	769,904	1,017,873
Real assets	2,810,014	2,536,790
Private equity	17,094,812	20,520,060
Pooled funds	238,260,542	213,873,601
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Subtotal alternative investments measured at net asset value	258,935,272	237,948,324
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Total	\$ 284,815,174	\$ 257,633,178

#### *Fair Value Measurements:*

Investments that were valued using level 1 measurement included money market funds, a global equity fund and an intermediate-term bond fund with a total fair value of \$ 25,879,902 and \$19,684,854 at December 31, 2021 and 2020, respectively. There were no investments classified using level 2 or 3 measurements. In accordance with Subtopic 820-10, the alternative investments held by the Fund were valued using the Net Asset Value (NAV) per share (or its equivalent) practical expedient.

# Walter and Elise Haas Fund

## Notes to Financial Statements

### Note 5 - Net Asset Value Disclosure:

The following table lists those investments by major category which were reported at NAV as of December 31:

Strategies	2021		2020		Redemption Frequency	Notice Period
	# of Funds	Valuation	# of Funds	Valuation		
<b>Absolute return/ market neutral (a):</b>						
Multi-strategy: Redeemable	1	\$ 769,904	1	\$ 1,017,873	Bi-annually - Annually	45 – 60 days
<b>Real assets (b):</b>						
Natural resources: Non-redeemable	5	2,713,494	6	2,289,029		
Real Estate	3	96,520	3	247,761		
<b>Private equity (c):</b>						
Venture capital funds	9	16,786,779	9	19,348,225		
Closed-end	6	308,033	6	1,171,835		
<b>Pooled funds:</b>						
Multi-hedge fund (d)	1	37,668,861	1	35,707,798	Quarterly	75 days
Multi-hedge fund (e)	1	200,591,681	1	178,165,803	Quarterly	75 days
<b>Total</b>	<b>26</b>	<b>\$ 258,935,272</b>	<b>27</b>	<b>\$ 237,948,324</b>		

- a) The strategy of the Absolute Return and Market Neutral portfolio is to provide diversification benefits to the overall portfolio through lower correlation to other traditional asset classes (e.g. Equity and Fixed Income) and to provide a buffer during equity market declines. The Absolute Return/Market Neutral investment includes several funds with varying strategies, including Multi-strategy and Equity/Debt funds.

Multi-strategy managers invest in a wide variety of securities, typically rotating between equity, bank debt, convertible bonds, and other fixed income securities depending on the manager's view on relative attractiveness, with the objective of exploiting arbitrage opportunities or identifying undervalued assets without incurring systemic market risk.

# Walter and Elise Haas Fund

## Notes to Financial Statements

The Equity and Debt strategy takes positions in securities the manager finds attractive and anticipates will appreciate in value and short portions in securities the manager believes will underperform. The fund is not redeemable during the lock-up period. Additionally, the fund does not hold non-redeemable securities nor does the fund invest in side pockets.

- b) This strategy invests in real estate and natural resources, both domestic and international. Natural resource funds invest primarily in crude oil, natural gas production and timberland. These funds generally cannot be redeemed, and liquidity is expected in the form of distributions from the funds when the underlying assets are sold over the life of the partnerships, which is estimated to be over two to 17 years. Unfunded commitments were \$377,420 and \$533,670 at December 31, 2021 and 2020, respectively.
- c) Private equity funds are comprised of domestic and international venture capital investments with the objective of long-term growth of capital. The partnerships typically have a remaining legal life span of one to 13 years with no redemption rights for the limited partners. The funds also include non-redeemable closed-end opportunistic funds invested over a projected two-year to five-year holding period for real estate related and other debt and equity securities. Unfunded commitments were \$690,897 and \$760,033 at December 31, 2021 and 2020, respectively.
- d) The multi-hedge fund (Centerstone Fund) employs strategies including unrestricted access to hedge funds and less-liquid marketable equity managers, but no private investments. The Centerstone Fund is subject to quarterly liquidity with 75 days' notice with no side pockets.
- e) The multi-hedge fund (Keystone Fund) employs strategies including hedge fund strategies, private equity strategies, private real estate strategies and other resource strategies. The Keystone Fund is subject to quarterly redemption with a 75-day redemption notice period. Purchases are subject to a one year lock up period. At least 50% (and up to 100%) of any amount withdrawn will be paid within 30 days. The remaining amount will be paid as soon as possible, but no later than three years from the redemption date.

### Note 6 - Summary of Fund Operations:

A summary of the Fund's operations since inception, April 27, 1952, was as follows:

Contributions to the Fund	\$ 126,620,588
Increase in net assets, excluding grants	540,472,922
	<hr/>
	667,093,510
Less: Grants	(378,605,650)
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Net assets, December 31, 2021	\$ 288,487,860

# Walter and Elise Haas Fund

## Notes to Financial Statements

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### Note 7 - Commitments:

#### a. Grants

Multi-year grants are made on a conditional basis and are not recorded until the condition has been met. The conditional grants are subject to review and approval of program and financial reports and a work plan and budget for the ensuing year(s) of the grant.

Conditional grant commitments outstanding were \$2,670,000 and \$1,212,000 as of December 31, 2021 and 2020, respectively.

#### b. Operating Lease

The Fund leases its office space through November 2026. Under the lease, the Fund shares office space with another entity, with the Fund utilizing approximately 50% of the space. Additionally, the Fund has equipment leases through July 2023. The future minimum lease payments under the above leases (at the Fund's estimated share) are approximately as follows:

Year Ended December 31,		
2022	\$	212,200
2023		217,100
2024		223,100
2025		229,700
2026		196,500
		<hr/>
	\$	1,078,600

Rent expense totaled \$209,290 and \$210,615 for the years ended December 31, 2021 and 2020, respectively.

#### c. Investments

The Fund has capital commitments totaling \$1,068,317 and \$1,293,703 as of December 31, 2021 and 2020, respectively.

### Note 8 - Excise Taxes:

In accordance with applicable Treasury regulations, the Fund is classified as a private foundation and is subject to an excise tax on net investment income, including realized gains. The tax rate is 1.39 percent for 2021 and 2020.

# Walter and Elise Haas Fund

## Notes to Financial Statements

The provisions for current and deferred excise taxes were as follows for the years ended December 31,

	2021	2020
Current excise tax	\$ 344,000	\$ 247,181
Deferred excise tax	252,907	693
<b>Total</b>	<b>\$ 596,907</b>	<b>\$ 247,874</b>

The Fund is required by the Internal Revenue Code to make a minimum distribution of its net assets for charitable purposes. The Fund has complied with these distribution requirements through December 31, 2021.

### **Note 9 - Retirement Plan:**

The Fund has a 403(b) retirement plan covering all eligible employees whereby the Fund contributes 15 percent of compensation for all eligible employees. Fund contributions to the plan amounted to \$200,095 and \$200,690 for the years ended December 31, 2021 and 2020, respectively.

### **Note 10 - Concentrations of Risk:**

Investments in general are exposed to various risks, such as interest rate, credit and overall market volatility. The alternative investments include additional risks such as limited liquidity, absence of oversight, non-marketable investments and dependence on key individuals. To address the risk of investments, the Fund maintains a formal investment policy that sets out performance criteria, investment guidelines, asset allocation guidelines and requires regular review of the investment performance.

As of December 31, 2021, and 2020, two investments in the Pooled Funds Strategy represented 84% and 83%, respectively, of total investments. However, these investments are diversified.

In addition to investments, concentrations of market and credit risk exist for cash.

# Walter and Elise Haas Fund

## Notes to Financial Statements

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### **Note 11 - Related Party Transaction:**

The Fund contracts with Argonaut Securities Company (Argonaut) for accounting and tax services. In 2021, none of the current Board members of the Fund were owners of Argonaut. In 2020, one member of the Fund's Board owned a portion of the stock of Argonaut and two other shareholders were family members to the one Board member. The remainder of the stock was owned by individuals unrelated to the Fund. The fees for accounting services performed by Argonaut were approximately \$259,000 and \$255,000 for the years ended December 31, 2021 and 2020, respectively.

### **Note 12 - Impact of the Pandemic and Other Global Events:**

In December 2019, a novel strain of coronavirus (COVID-19) was identified, and subsequently, the World Health Organization declared the outbreak to constitute a "Public Health Emergency of International Concern." The COVID-19 pandemic caused business disruption through mandated and voluntary closings of multiple businesses and organizations, although partial reopenings have since occurred. The domestic and global investment markets initially experienced significant declines in value subsequent to December 31, 2019, resulting from uncertainty caused by the COVID-19 pandemic. Additionally, general economic unrest has occurred, primarily as a result of economic concerns over the Russian invasion of Ukraine.

The Foundation has not curtailed or reduced grants or giving plans for the future; however, as the effects of the pandemic continue and as economic instability continues to occur, the financial performance of the Foundation's investments could be impacted. The Fund continues to monitor market events and conditions as they unfold and has established strategies to respond accordingly to increased market volatility.

**Walter and Elise Haas Fund**  
**Schedule 1**  
**Investments**  
(See Independent Auditors' Report)

Year Ended December 31, 2021

Investment Manager	Fair Value Level	Cost	Fair Value	Cumulative Unrealized Gain (Loss)	Change in Unrealized Gain (Loss)	Investment Management and Related Fees	Investment Income		
							Dividends, Interest and Partnership Income (Loss)	Realized Gain (Loss)	Total
<b>Equities, Bonds and General</b>									
Mutual Funds - equities, bonds	1	\$ 23,160,759	\$ 25,879,902	\$ 2,719,143	\$ 147,569	\$ 8,776	\$ 476,376	\$ 1,980,989	\$ 2,457,365
First Republic Bank							600		
<b>Pooled Funds</b>									
TIFF KeyStone Fund	NAV	121,555,538	200,591,681	79,036,143	18,855,674	935,279	13,451,420	655,586	14,107,006
TIFF CenterStone Fund	NAV	29,848,190	37,668,861	7,820,671	6,672	124,810	1,855,616	2,123,561	3,979,177
<b>Absolute Return/Market Neutral</b>									
Farallon Capital Institutional Partners	NAV	1,461,239	769,904	(691,335)	408,227		33,092	(325,813)	(292,721)
<b>Real Assets</b>									
Lonestar Real Estate	NAV	52,714	25,417	(27,297)	43,053	57	22,274	(44,047)	(21,773)
Lonestar Real Estate II	NAV	30,170	5,253	(24,917)	(23,566)	1	35,154	(14,649)	20,505
Metropolitan Real Estate Partners Global II	NAV	101,906	65,850	(36,056)	(889)		(1,759)	5,354	3,595
Park Street Capital Natural Resource Fund II	NAV	367,431	164,476	(202,955)	217,685	1,313	(4,657)	(199,564)	(204,221)
Park Street Capital Natural Resource Fund II AIV	NAV	235,628	44,136	(191,492)	(20,961)	180	21,074	123	21,197
Park Street Capital Natural Resource Fund II AIV II	NAV	38,374	12,198	(26,176)	70,552	85	(2,998)	(66,256)	(69,254)
Park Street Capital Natural Resource Fund III	NAV	596,570	675,709	79,139	269,076	1,018	(489)	(108,202)	(108,691)
Park Street Capital Natural Resource Fund III Investment Corp	NAV				2	67	(1,195)	62	(1,133)
Park Street Capital Natural Resource Fund V	NAV	1,696,489	1,816,975	120,486	489,787	12,403	60,159	(97,347)	(37,188)
<b>Private Equity</b>									
Commonfund Capital International Partners V	NAV	157,590	122,210	(35,380)	(21,508)	497	517	9,530	10,047
Commonfund Capital International Partners VI	NAV	639,115	444,765	(194,350)	(7,066)	1,742	23,993	34,234	58,227
Commonfund Capital Private Equity Partners VI	NAV	182,583	170,480	(12,103)	(73,854)	915	160	122,717	122,877
Commonfund Capital Private Equity Partners VII	NAV	626,999	1,452,507	825,508	4,307	4,722	7,131	462,981	470,112
Commonfund Capital Venture Partners VIII	NAV	664,963	1,699,636	1,034,673	(298,709)	6,310	(2,969)	554,025	551,056
Endowment Venture Partners V	NAV	48,485	41,115	(7,370)	1,718	2	(232)	2,321	2,089
Legacy Venture IV	NAV	844,034	1,507,437	663,403	(479,246)	665	(729)	679,249	678,520
Legacy Venture V (QP)	NAV	1,518,024	2,954,969	1,436,945	(1,460,345)		(26,958)	2,362,756	2,335,798
Legacy Venture VI (QP)	NAV	1,988,848	8,393,660	6,404,812	210,379	14,250	(56,740)	3,015,306	2,958,566
Lonestar Fund IV	NAV	652,926	12,932	(639,994)	578		(811)		(811)
Lonestar Fund V	NAV	173,781	63,708	(110,073)	(155,693)		4,925	213,897	218,822
Lonestar Fund VI	NAV	200,925	17,875	(183,050)	(62,854)		64,914	55,668	120,582
Lonestar Europe Holding (US)	NAV	124,610	180,377	55,767	148,688	46	(739)	(71,365)	(72,104)
Lonestar Fund VII	NAV	3,261	3,261	3,261	12,687		(4,566)	(4,646)	(9,212)
Lonestar US Investment	NAV	190,475	29,880	(160,595)	(87,233)		26,701	91,858	118,559
		\$ 187,158,366	\$ 284,815,174	\$ 97,656,808	\$ 18,194,730	\$ 1,113,138	\$ 15,979,264	\$ 11,438,328	\$ 27,416,992

**Walter and Elise Haas Fund**  
**Schedule 1**  
**Investments**  
**(See Independent Auditors' Report)**

Year Ended December 31, 2020

Investment Manager	Fair Value Level	Cost	Fair Value	Cumulative Unrealized Gain (Loss)	Change in Unrealized Gain (Loss)	Investment Management and Related Fees	Investment Income		
							Dividends, Interest and Partnership Income (Loss)	Realized Gain (Loss)	Total
<b>Equities, Bonds and General</b>									
Mutual Funds - equities, bonds (excluding Perry Partner Int'l Fund)	1	\$ 17,113,280	\$ 19,684,854	\$ 2,571,574	\$ 1,187,678	\$ 9,573	\$ 373,849	\$ 986,067	\$ 1,359,916
First Republic Bank							2,101		2,101
<b>Pooled Funds</b>									
TIFF KeyStone Fund	NAV	117,985,334	178,165,803	60,180,469	15,275,649	502,152	(438,560)	12,410,349	11,971,789
TIFF CenterStone Fund	NAV	27,893,799	35,707,798	7,813,999	4,726,142	96,962	599,483	617,865	1,217,348
<b>Absolute Return/Market Neutral</b>									
Farallon Capital Institutional Partners	NAV	2,117,435	1,017,873	(1,099,562)	(50,620)		21,259	(238,074)	(216,815)
Highfields Capital IV	NAV				366,777		(552)	(366,267)	(366,819)
OZ Overseas Fund	NAV				14,589		2,768	(16,318)	(13,550)
Perry Partners International Fund	NAV				(7,714)			5,084	5,084
<b>Real Assets</b>									
Lonestar Real Estate	NAV	184,698	114,348	(70,350)	(2,123)	47	(168)	(472)	(640)
Lonestar Real Estate II	NAV	41,881	40,530	(1,351)	(25,640)		130,988	(109,040)	21,948
Metropolitan Real Estate Partners Global II	NAV	128,050	92,883	(35,167)	26,859		(4,116)	(25,980)	(30,096)
Park Street Capital Natural Resource Fund II	NAV	572,965	152,325	(420,640)	2,760	1,313	71,537	(105,510)	(33,973)
Park Street Capital Natural Resource Fund II AIV	NAV	214,611	44,080	(170,531)	2,529	180	1,815	(304)	1,511
Park Street Capital Natural Resource Fund II AIV II	NAV	107,713	10,985	(96,728)	(4,726)	85	(1,260)		(1,260)
Park Street Capital Natural Resource Fund III	NAV	751,279	561,342	(189,937)	(33,593)	1,062	58,984	(103,402)	(44,418)
Park Street Capital Natural Resource Fund III Investment Corp	NAV	8,520	8,518	(2)	1,216	70	(741)	(3,989)	(4,730)
Park Street Capital Natural Resource Fund V	NAV	1,881,080	1,511,779	(369,301)	(277,375)	15,000	(22,515)	8,908	(13,607)
<b>Private Equity</b>									
Commonfund Capital International Partners V	NAV	179,525	165,653	(13,872)	28,411	496	(324)	1,295	971
Commonfund Capital International Partners VI	NAV	767,824	580,540	(187,284)	(36,742)	2,020	(7,052)	101,007	93,955
Commonfund Capital Private Equity Partners VI	NAV	243,181	304,932	61,751	56,577	896	323	(4,500)	(4,177)
Commonfund Capital Private Equity Partners VII	NAV	752,913	1,574,114	821,201	168,421	4,725	(9,167)	138,822	129,655
Commonfund Capital Venture Partners VIII	NAV	769,835	2,103,217	1,333,382	207,943	6,090	(5,790)	600,794	595,004
Endowment Private Equity Partners IV	NAV				(12,701)	5	(555)	11,845	11,290
Endowment Venture Partners V	NAV	57,242	48,154	(9,088)	12,114		(251)	(4,943)	(5,194)
Legacy Venture III	NAV				(408,810)		(15,295)	242,460	227,165
Legacy Venture IV	NAV	955,456	2,098,105	1,142,649	(308,711)	3,000	14,526	826,673	841,199
Legacy Venture V (QP)	NAV	1,545,129	4,442,419	2,897,290	870,550	15,000	(27,725)	727,770	700,045
Legacy Venture VI (QP)	NAV	1,836,658	8,031,091	6,194,433	2,562,571	22,500	(33,291)	1,368,781	1,335,490
Lonestar Fund IV	NAV	653,737	13,165	(640,572)	897		(372)	24	(348)
Lonestar Fund V	NAV	396,004	441,624	45,620	14,101		51,182	(5,343)	45,839
Lonestar Fund VI	NAV	509,204	389,008	(120,196)	(20,094)		123,978	5,042	129,020
Lonestar Europe Holding (US)	NAV	208,930	116,009	(92,921)	(27,171)	39	(393)	(282)	(675)
Lonestar Fund VII	NAV	16,159	6,733	(9,426)	(12,614)		13,263	559	13,822
Lonestar US Investment	NAV	278,658	205,296	(73,362)	(26,571)		62,177	3,360	65,537
		\$ 178,171,100	\$ 257,633,178	\$ 79,462,078	\$ 24,270,579	\$ 681,215	\$ 960,106	\$ 17,072,281	\$ 18,032,387

**Walter and Elise Haas Foundation**  
**Schedule 2**  
**Supplemental Schedule of Grant Expense by Sector**  
**(See Independent Auditors' Report)**

<i>Years Ended December 31,</i>	2021	2020
<b>Program Area Grants</b>		
Arts	\$ 1,724,663	\$ 1,748,106
Disaster preparedness and relief	350,000	250,000
Economic security	1,905,000	1,970,000
Education	1,602,150	1,236,250
Jewish life	1,900,000	1,920,000
Racial justice	250,000	275,000
Safety net	1,145,000	1,150,000
<b>Program area grants total</b>	<b>8,876,813</b>	<b>8,549,356</b>
<b>Other Grantmaking Interests</b>		
COVID-19 response	2,099,734	2,247,871
Legacy:		
Annual grants	457,000	457,000
Descendant and Trustee grants	220,000	190,000
Capital	112,500	400,000
Mission related:		
Civic engagement and leadership	495,500	594,544
Philanthropy	160,739	200,600
Responsive grantmaking	200,000	-
Epacenter Arts	-	40,000
Board awarded	950,000	1,000
Employee matching grants	26,530	33,852
<b>Other grantmaking interests total</b>	<b>4,722,003</b>	<b>4,164,867</b>
<b>Creative Work Fund</b>	<b>324,876</b>	<b>374,022</b>
<b>Grand Total</b>	<b>\$ 13,923,692</b>	<b>\$ 13,088,245</b>