

UNITED ENGINEERING FOUNDATION, INC



2021 ANNUAL REPORT

Founder Societies

American Institute of Mining, Metallurgical and Petroleum Engineers (AIME)

American Institute of Chemical Engineers (AIChE)

American Society of Civil Engineers (ASCE)

American Society of Mechanical Engineers (ASME)

Institute of Electrical and Electronics Engineers (IEEE)



UNITED ENGINEERING TRUSTEES

ANNUAL REPORT – 2021

Table of Contents

- REPORT OF THE PRESIDENT AND EXECUTIVE DIRECTOR 2
- OFFICERS, TRUSTEE, STAFF AND ADVISORS 4
- 2020 Approved Grants Completion Status Attachment A
- Grants Approved for 2021 Attachment B
- Audit 2020 Financial Statements Attachment C



ANNUAL REPORT - 2021

In 2021 the United Engineering Foundation (UEF) like all organizations benefited from a very robust market with substantial economic growth. All meetings and activities for the UEF, the Founder Societies and our Grantees continued to be virtual. As a result, several grants could not be completed or they were unable to use the full funding since face-to-face activities could not be conducted.

The UEF continues the tradition as a significant leader in the engineering community. These efforts are consistent with the UEF vision - To advance the engineering arts and sciences for the welfare of humanity.

To fund our activities, the UEF maintained an endowment that closed 2021 at an all-time high with a fund balance of \$22,148,976.20. This was a significant increase from the fund balance of \$20,449,629.19 at the close as of December 31, 2020 . This significant increase was due to a very positive economy throughout the year. This change to the portfolio provided resources for the funding of additional grants in 2021 that demonstrated the UEF's continued commitment to its vision and supporting our mission - To support engineering and education by, among other means, making grants.

The 2021 grants were focused on achieving UEF's Board of Trustees' priority areas:

1. Diversity
2. Kindergarten - 12th Grade Education
3. Ethics and Leadership in Continuing Education

The COVID Pandemic continued to create a challenge to the UEF in monitoring approved grants. UEF managed the 11 Grantees for the 2021 Grant cycle and paid out \$985,675, which represents \$844,225 from the approved \$920,000 for the 2021 Grant cycle and \$141,850 carried over from the 2020 Grant cycle.. Due to grants that

underutilized their awarded funds, and cancelled projects, \$166,096.16 was not used from the 2020 and 2021 Grant Awards. These funds remain in the UEF portfolio.

A summary of the Grantees, the funds approved, and the payouts is provided in Attachment A.

In mid-2021 the UEF's Grant Committee started the process for the 2022 Grant cycle. The Committee reviewed 60 concept papers totaling nearly \$6,088,291 and invited 15 candidates to submit full proposals for a total of \$1,607,300. The Committee recommended 8 proposals for funding in priority order for Board approval. The Board of Trustees approved the funding of the 8 proposals totaling \$1,032,300 shown in Attachment B.

UEF and its Trustees continue to provide leadership for the profession and fiscal responsibility deliver on the UEF mission "to support engineering and education by, among other means, making grants."

J. Robert Sims
President

Patrick J. Natale, P.E., Dist.M.ASCE
Executive Director



**UEF OFFICERS, TRUSTEES,
STAFF AND ADVISORS**

BOARD OF TRUSTEES 2021

President and Trustee: J. Robert Sims
Vice President and Trustee: Garry Warren
Treasurer and Trustee: James Jefferies
Secretary : Patrick J. Natale
Trustee: Deborah Grubbe
Trustee: Roland Moreau
Trustee: David Soukup
Trustee: Robert D. Stevens
Trustee: Thomas W. Smith
Trustee: Steve Welby
Trustee: June C. Wispelwey

SUPPORT 2021

Executive Director: Patrick J. Natale
Assistant to the Ex. Dir.: Karen Grappone

GLENMEDE – Administrative Support 2021

Rosemary DiRita
Katelyn Flaherty
Jamie DeAngelis

GLENMEDE – Investment Support 2022

Adam Psichos
Adam Conish

ADVISORS 2020

Auditors: Adeptus Partners LLC
Investment Advisor: Glenmede Trust
Legal Counsel: Jennifer V. Abelaj Law Firm

BOARD OF TRUSTEES 2022*

President and Trustee: J. Robert Sims
Vice President and Trustee: Deborah Grubbe
Treasurer and Trustee: James Jefferies
Secretary: Patrick J. Natale
Trustee: Ronald Ashburn
Trustee: Roland Moreau
Trustee: David Soukup
Trustee: Robert D. Stevens
Trustee: Thomas W. Smith
Trustee: Steve Welby
Trustee: June C. Wispelwey

SUPPORT 2022

Executive Director: Patrick J. Natale
Assistant to the Ex. Dir.: Karen Grappone

GLENMEDE – Administrative Support 2022

Rosemary DiRita
Katelyn Flaherty
Jamie DeAngelis

GLENMEDE – Investment Support 2022

Adam Psichos
Adam Conish

ADVISORS 2021

Auditors: Adeptus Partners LLC
Investment Advisor: Glenmede Trust
Legal Counsel: Jennifer V. Abelaj Law Firm

*Effective September 2021

UEF Grants for 2022

Attachment B

Submission ID	Request Amount	Contact	Organization
UEF22-010 -Villanova University's Career Compass Collaborative	\$87,000.00	Keith Argue Keith.Argue@villanova.edu	Villanova University
UEF22-014 -Community Colleges	\$75,000.00	Stephanie Viola violas@asme.org	American Society of Mechanical Engineers
UEF22-017 -Messages Matter: Reaching Tomorrow's Engineers & Technicians	\$125,000.00	Thea Sahr Thea@DiscoverE.org	National Engineers Week Foundation (DBA:DiscoverE)
UEF22-019 - Future World Vision Outreach Videos	\$117,000.00	Andrew O'Connell aoconnell@asce.org	American Society of Civil Engineers
UEF22-022 -Techbridge Girls	\$75,000.00	Meeta Sharma-Holt msharmaholt@tachbridgegirls.org	Techbridge Girls
UEF22-024 -We Must Go to Them - Support for the Development of a National Toolbox to Engage American Indian/ Alaska Native Communities in STEM	\$62,000.00	Eddie Gonzalez egonzalez@same.org	Society of American Military Engineers
UEF22-027 - TechEthics	\$125,000.00	Mark A. Vasquez m.vasquez@ieee.org	IEEE Foundation
UEF22-028 - EPICS in IEEE	\$100,000.00	Ray Alcantara r.alcantara@ieee.org	IEEE Foundation

UEF Grants for 2022

UEF22-045 - Risk Based Process Safety Decision Making for all Engineers	\$92,000.00	Louisa A. Nara Louna@aiche.org	Columbia University
UEF22-046 - Supporting the Padres - Empowering Parents to Graduate 1st-Gen Engineers	\$99,300.00	Kimberley Douglas kimberlyD@shpe.org	Society of Hispanic Professional Engineers (SHPE)
UEF22-050 - DEALS	\$75,000.00	Izabela Balicka izabb@aiche.org	AIChE
ACCEPTED TOTAL	\$1,032,300.00		



UNITED ENGINEERING FOUNDATION, INC.

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

December 31, 2021



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
United Engineering Foundation, Inc.
Philadelphia, PA

Opinion

We have audited the accompanying financial statements of United Engineering Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities 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 United Engineering Foundation as of December 31, 2021, 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. 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 United Engineering Foundation 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 United Engineering Foundation'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 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, 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 United Engineering Foundation 's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Engineering Foundation 's ability to continue as a going concern for a reasonable period of time.

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

Adeptus Partners, LLC

Adeptus Partners, LLC

Ocean, New Jersey
June 17, 2022

UNITED ENGINEERING FOUNDATION, INC.

CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-2
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6-11

UNITED ENGINEERING FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2021 and 2020

ASSETS	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 534,498	\$ 600,568
Restricted cash	154,245	411,500
Total cash, cash equivalents, and restricted cash	<u>688,743</u>	<u>1,012,068</u>
Investments, at fair value	21,457,279	19,432,145
Prepaid expenses and other assets	<u>2,954</u>	<u>5,416</u>
TOTAL ASSETS	<u>\$ 22,148,976</u>	<u>\$ 20,449,629</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 91,169	\$ 20,699
Grants payable	<u>154,245</u>	<u>411,550</u>
TOTAL LIABILITIES	<u>245,414</u>	<u>432,249</u>
NET ASSETS - without donor restrictions	18,959,162	17,072,980
NET ASSETS - with donor restrictions	<u>2,944,400</u>	<u>2,944,400</u>
TOTAL NET ASSETS	<u>21,903,562</u>	<u>20,017,380</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 22,148,976</u>	<u>\$ 20,449,629</u>

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

UNITED ENGINEERING FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2021 and 2020

	2021	2020
CHANGES IN UNRESTRICTED NET ASSETS:		
Revenue and other support:		
Investment income	\$ 400,301	\$ 378,770
Realized gains	5,054,079	350,608
Unrealized gains (losses)	(2,529,181)	1,168,155
Total revenue and other support	2,925,199	1,897,533
Program expenses:		
Grants for Engineering	696,370	776,033
Investment management fees	116,117	96,379
Outside services	127,916	126,770
Website	839	909
Insurance	5,793	5,612
Excise tax	75,000	7,245
Legal and audit fees	14,630	12,500
Postage, printing and copying	85	48
Other expenses	1,307	854
Rent	960	1,174
Total program expenses	1,039,017	1,027,524
Changes in net assets without donor restrictions	1,886,182	870,009
Net Assets Without Donor Restrictions - beginning of year	20,017,380	19,147,371
Net Assets Without Donor Restrictions - end of year	\$ 21,903,562	\$ 20,017,380

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

UNITED ENGINEERING FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Changes in net assets	\$ 1,886,182	\$ 870,009
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Realized gains on investments	(5,054,079)	(350,608)
Unrealized (gains) losses on investments	2,529,181	(1,168,155)
 Net change in operating assets and liabilities:		
Prepaid expenses and other assets	2,411	2,382
Accounts payable and accrued expenses	66,735	(3,735)
Grants payable	154,245	411,550
Net cash used in operating activities	<u>(415,325)</u>	<u>(238,557)</u>
 Cash flows from investing activities:		
Proceeds from sales of investments	9,401,571	9,519,794
Purchases of investments	<u>(9,309,571)</u>	<u>(8,309,621)</u>
Net cash provided by investing activities	<u>92,000</u>	<u>1,210,173</u>
 Net increase (decrease) in cash and cash equivalents	(323,325)	971,616
 Cash, Cash Equivalents, and Restricted Cash - beginning of year	<u>1,012,068</u>	<u>40,452</u>
 Cash, Cash Equivalents, and Restricted Cash - end of year	<u>\$ 688,743</u>	<u>\$ 1,012,068</u>

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

**UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

Note 1 – Organization and Significant Accounting Policies

a) Organization

United Engineering Foundation, Inc. (UEF) is a non-profit corporation which is involved in the advancement of the engineering arts and sciences in all branches by making grants.

b) Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with generally accepted accounting principles accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not For Profit Organizations" (the "Guide") (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net Assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Net Assets- Endowment Funds

The Organization endowments consist of 25 funds held with an institutional investment company. All the endowment funds are donor restricted. The Organization is subject to the New York State Prudent Management of Institutional Funds Act (NYSPMIFA) and, thus classifies amounts in its donor- restricted endowment funds as net assets with donor restrictions. The Board of Trustees of the Organization has interpreted NYSSPMIFA as requiring the maintenance of the original gift in perpetuity that was contributed to the endowment fund unless a donor stipulates to the contrary. All investment income from the restricted endowment funds are unrestricted in the Statement of Activities. At December 31, 2021 the balance in Net assets with donor restrictions is \$2,944,400.

The Organization has interpreted NYSPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. The Organization includes all endowments in two investment accounts.

c) Cash and Cash Equivalents

The Organization considers all unrestricted cash and other highly liquid investments with an initial maturity of three months or less to be cash equivalents.

d) Restricted Cash

The Organization considers any restricted funding, in the possession of the Organization and prior to being spent, restricted cash and the amount is segregated from the Organization's operating cash.

UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

e) Income Tax Status

The United Engineering Foundation, Inc. qualifies as a tax-exempt private foundation under Section 501 (c) (3) of the Internal Revenue Code and therefore, is subject to an excise tax of 1.39% on net taxable investment income of the foundation.

The Organization's Forms 990PF *Return of Private Foundation*, for the years ending 2019, 2020 and 2021 are subject to examination by the IRS, generally for three years after they were filed.

f) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that 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.

g) Investments

Investments in marketable securities with readily determinable fair values and debt securities are reported at their fair values while investments in hedged funds and other alternative investments have been valued at net asset values (NAV) determined by Glenmede Trust in the statement of financial position. Unrealized gains (losses) along with investment income and realized gains (losses) are reported in unrestricted net assets. Gains and losses are recorded on a trade date basis.

h) Risks and Uncertainties

The Organization invests in a variety of investment options. Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such change could materially affect the amounts reported in the statement of financial position.

i) Functional Expenses

The costs of providing engineering arts and science grants have been summarized on a functional basis in the statements of activities.

j) Recent Accounting Pronouncements

ASU 2016-18 Statement of Cash Flows Restricted Cash

In November 2016, the FASB issued Accounting Standards Update (ASU) 2016-18, Statement of Cash Flows Restricted Cash (Topic 230). This update requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. ASU 2016-18 is effective for annual reporting periods beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019, with early adoption permitted. A retrospective approach is required. This standard was adopted by the Organization effective January 1, 2020.

**UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

Note 2 – Concentration of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk include marketable debt securities. The Organization places its temporary cash investments with credit-worthy, high quality financial institutions.

Note 3 – Cash

The Organization maintains two cash account at a bank located in the Philadelphia area. The balance is insured by the Federal Deposit Insurance Corporation up to allowed limits per depositor. There was an uninsured balance of \$284,498 and \$350,568 for the year ended December 31, 2021, and 2020, respectively.

Note 4 – Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the December 31, 2021, and 2020 balance sheet dates, reduced by amounts not available for general use because of donor restricted endowment gifts maintained in perpetuity.

	<u>2021</u>	<u>2020</u>
Financial assets, at year end		
Cash and cash equivalents	\$ 534,498	\$ 600,568
Investments, at fair value	21,457,279	19,432,145
	<u>21,991,777</u>	<u>20,032,713</u>
Donor restricted to maintain endowments	<u>(2,944,400)</u>	<u>(2,944,400)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 19,047,377</u>	<u>\$ 17,088,313</u>

Note 5 – Fair Value Measurement

The Organization's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurements authoritative literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active market for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority.

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or 2 inputs were not available.

UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

Level 1 Fair Value Measurements

Quoted prices in active market that is accessible at the measurement date for identical investments, unrestricted assets or liabilities.

Marketable securities and U.S. Government securities are valued at the closing price reported on the active market on which the individual securities are traded. Mutual funds are valued at the net asset value (NAV) of shares held by the Organization at year end.

Level 2 Fair Value Measurements

Quoted prices in active markets that are accessible at the measurement date of similar investments, quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly.

For fiscal year 2020, alternative investments, Vanguard Global Ex U.S. Real Estate and Vanguard REIT ETF, have investments in equity securities, bonds, real estate and other investments for which the market values may not be readily available. Such investments have been valued in accordance with the following valuation policy: equity securities are valued at the last sales price; unlisted securities are valued at the current bid price obtained from reputable brokers; fixed income securities are generally valued by reference to outside pricing services or at closing market prices supplied by brokers considered to be active in the market; investments maturing within 60 days of the issue date are valued at amortized cost which approximates market value; short sales are generally valued at the last close or sales price; and written purchase options are generally valued at the last sales price. Investments in limited partnerships and other investment funds are valued at fair value which is generally the latest net asset value made available by the fund manager or administrator prior to the valuation date.

There are no unfunded commitments or redemption notice periods in these funds, and the funds are valued using the net asset value.

Level 3 Fair Value Measurements

Significant unobservable inputs, including the Plan's own assumptions, are used in determining the fair value. Hedged funds, Liberty Special Strategies TE Fund, LLC, Glenmede Private Investment Fund VIII and the Glenmede Client Opportunities PFIC Pool, which are not readily marketable are valued at fair value as deemed appropriate by the Glenmede Trust. The shares reported by the Organization are proportionate to their capital contribution and are considered to be stated at fair value.

For those assets with fair value measured using Level 3 inputs, the Organization's investment manager determines the fair value measurement policies and procedures in consultation with the Organization's executive director. These policies and procedures are reassessed at least annually to determine if current valuation techniques are still appropriate.

At that time, the unobservable inputs used in the fair value measurements are evaluated and adjusted, as necessary, based on current market conditions and other third-party information.

UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

<u>December 31, 2021</u>	Quoted Prices In Active Markets for			Significant Other	Significant Unobservable
	Fair Value	Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Inputs (Level 3)	
Mutual Funds:					
Fixed Income	\$ 5,348,821	\$ 5,348,821	\$ -	\$ -	
Large Cap	8,956,839	8,956,839	-	-	
Small Cap	1,648,604	763,088	-	-	
International	4,381,856	4,381,856	-	-	
Alternative Assets					
Private Equity	297,988	-	-	-	297,988
Absolute Return	823,172	-	-	-	823,172
Commodities	-	-	-	-	-
Total	\$ 21,457,279	\$ 19,450,603	\$ -	\$ -	1,121,160

<u>December 31, 2020</u>	Quoted Prices In Active Markets for			Significant Other	Significant Unobservable
	Fair Value	Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Inputs (Level 3)	
Mutual Funds					
Fixed Income	\$ 5,383,463	\$ 5,383,463	\$ -	\$ -	
Large Cap	6,025,182	6,025,182	-	-	
Small/Mid Cap	1,054,641	1,054,641	-	-	
International	3,349,918	3,349,918	-	-	
Strategic Growth	37,086	37,086	-	-	
Separately Managed					
Large Cap	1,503,642	1,503,642	-	-	
Alternative Assets					
Real Estate	606,621	-	606,621	-	
Private Equity	264,215	-	-	-	264,215
Absolute Return	804,253	-	-	-	804,253
Commodities	403,124	-	403,124	-	
Total	\$ 19,432,145	\$ 17,353,932	\$ 1,009,745	\$ -	1,068,468

The following table reconciles the beginning and ending balances of fair value measurements using significant unobservable inputs (Level 3) for the hedged funds for December 31, 2021.

UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

The Organization's policy is to recognize transfers into and out of Level 3 at the end of the reporting period. For the years ended December 31, 2021, and 2020, there were no significant transfers into or out of Level 3.

Note 6 – Grants Payable

Grants payable consists of promises to give to various organizations in furtherance of the Organization's not-for-profit mission. Promises contingent upon recipients meeting specific goals are recorded when all conditions have been attained.

The Organization committed to make contributions to three organizations totaling \$154,245 for various purposes as of December 31, 2021. At December 31, 2021, grants payable was \$154,245, which is expected to be paid in 2022.

Note 7 – Related Party Transactions

The Organization entered into an agreement on January 1, 2020 with an individual to act as the executive director for \$92,500 per year. The agreement automatically renews for successive one-year terms upon approval from both parties. For the years ending December 31, 2021, and 2020, the Organization paid the executive director \$92,500.

Note 8 – Administrative Services

The Organization utilizes a third-party administrative service on a month-to-month basis which can be terminated by either party upon written notice. For the years ended December 31, 2021, and 2020 administrative services amounted to \$30,000, respectively. Starting January 1, 2022, this fee has been reduced to \$18,000.

In addition, the Organization paid its Administrative Assistant \$4,270 and \$5,748 for the years ended December 31, 2021, and 2020.

Note 9 – Subsequent Events

Date of Management's Evaluation.

The date to which events occurring after December 31, 2021, the date of the most recent statement of financial position, have been evaluated for possible adjustment to the financial statements or disclosures is June 17, 2022, which is the date the financial statements were available to be issued.