D-26-14086

LEGISLATIVE TRACKING FORM

Filing for Council Meeting Date: 06/02/26 ☑ **Resolution** ☐ **Ordinance**

Contact/Prepared By: ______ **Date Prepared:** ______

Title (Caption): A resolution appropriating a total of $372,000.00 from a certain account of the Administration Fund for a grant to The Community Foundation of Middle Tennessee, Inc. to conduct a review of how human and social services actors in the region, including Metropolitan Nashville government, are collectively responding to community needs at different stages of the stability-mobility-prosperity continuum.

Submitted to Planning Commission? ☑ **N/A** ☐ **Yes-Date:** ______ **Proposal No:** ______

Proposing Department: Mayor's Office **Requested By:** ______

Affected Department(s): ______ **Affected Council District(s):** ______

Legislative Category (check one):

☐ Bonds	☐ Contract Approval	☐ Intergovernmental Agreement
☐ Budget - Pay Plan	☐ Donation	☐ Lease
☐ Budget - 4%	☐ Easement Abandonment	☐ Maps
☐ Capital Improvements	☐ Easement Accept/Acquisition	☐ Master List A&E
☐ Capital Outlay Notes	☑ Grant	☐ Settlement of Claims/Lawsuits
☐ Code Amendment	☐ Grant Application	☐ Street/Highway Improvements
☐ Condemnation	☐ Improvement Acc.	☐ Other: ______

FINANCE

Amount +/-: $ ______ **Match: $** ______

Funding Source:

Capital Improvement Budget
Capital Outlay Notes
Departmental/Agency Budget
Funds to Metro
General Obligation Bonds
Grant
Increased Revenue Sources
Judgments and Losses
Local Government Investment Project
Revenue Bonds
Self-Insured Liability
Solid Waste Reserve
Unappropriated Fund Balance
4% Fund
Other: ______

Approved by OMB: Aaron Pratt

Approved by Finance/Accounts: ______

Approved by Div Grants Coordination: ______

Date to Finance Director's Office: ______

APPROVED BY FINANCE DIRECTOR'S OFFICE: ______

ADMINISTRATION

Council District Member Sponsors: ______

Council Committee Chair Sponsors: ______

Approved by Administration: ______ **Date:** ______

DEPARTMENT OF LAW

Date to Dept. of Law: ______ Approved by Department of Law: ______

Settlement Resolution/Memorandum Approved by: ______

Date to Council: ______ For Council Meeting: ______ ☐ E-mailed Clerk

☐ All Dept. Signatures ☐ Copies ☐ Backing ☐ Legislative Summary ☐ Settlement Memo ☐ Clerk Letter ☐ Ready to File

Department of Law – White Copy *Administration –Yellow Copy* *Finance Department - Pink Copy*

Resolution No. RS2026____________

A resolution appropriating a total of $372,000.00 from a certain account of the Administration Fund for a grant to The Community Foundation of Middle Tennessee, Inc. to conduct a review of how human and social services actors in the region, including Metropolitan Nashville government, are collectively responding to community needs at different stages of the stability-mobility-prosperity continuum.

WHEREAS, Section 7-3-314 of the Tennessee Code Annotated states that metropolitan forms of government may provide financial assistance to nonprofit organizations; and,

WHEREAS, Section 5.04.070 of the Metropolitan Code of Laws provides that the Council may, by Resolution, appropriate funds for the financial aid of nonprofit organizations; and,

WHEREAS, the Mayor's Office has recommended that a total of $372,00.00 of the funds appropriated for administration in the Budget Ordinance (Substitute BL2025-833), be distributed to The Community Foundation of Middle Tennessee, Inc.; and,

WHEREAS, the grant funds will be utilized to provide a survey of Human Services available in Nashville; and,

WHEREAS, it is to the benefit of the citizens of The Metropolitan Government of Nashville and Davidson County that these funds be appropriated to The Community Foundation of Middle Tennessee, Inc.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. There is hereby appropriated $372,000.00 from BU 01101705 to fund a grant to The Community Foundation of Middle Tennessee, Inc., to be used to provide a survey of the landscape of Human Services available.

Section 2. The grant contract between the Metropolitan Government of Nashville and Davidson County and The Community Foundation of Middle Tennessee, Inc. and the related project proposal, attached hereto and incorporated herein, are hereby approved.

Section 3. That this Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

APPROVED AS TO AVAILABILITY OF FUNDS:

Jenneen Reed/mjw
Jenneen Reed, Director
Department of Finance

APPROVED AS TO FORM AND LEGALITY:

Abby Greer
Assistant Metropolitan Attorney

INTRODUCED BY:

____

____

____
Member(s) of Council

{N0766364.1}

Grant contract between the Metropolitan Government of Nashville and Davidson County and The Community Foundation of Middle Tennessee, Contract #__________

GRANT CONTRACT
BETWEEN THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY AND The Community Foundation of Middle Tennessee

This Grant Contract issued and entered into pursuant to Resolution RS2026-__________________, by and between the Metropolitan Government of Nashville and Davidson County ("Metro"), and The Community Foundation of Middle Tennessee, ("Recipient"), is for the provision of a Human Services Landscape Study, as further defined in the "SCOPE OF PROGRAM". The Recipient's annual report and audit are incorporated herein by reference.

A. **SCOPE OF PROGRAM:**

A.1. The Recipient will use the funds to:

Purpose of the Engagement: The goal of this project is to support Metro Nashville and its partners to achieve three goals: excellence in program delivery, shared accountability among stability-mobility-prosperity (SMP) stakeholders, and increased impact and effectiveness of the human and social services ecosystem in the Nashville region.

Activities and Estimated Timeline:

To achieve these goals, this project will conduct a deep review of how human and social services actors in Nashville-Davidson County, including Metro Nashville government, are collectively responding to community needs at different stages in their upward mobility journeys. Below is a phased approach to how this work will be accomplished.

Phase 1: Community Conditions Desk Research, Project Kickoff, and Overall Project Management (Month 1)

Phase 2: Information-Gathering about Programs and Services along the SMP Continuum (Month 1 - 3)

Phase 3: Map the SMP Continuum, the Ecosystems, and Chart Major Programs (Month 4 - 5)

Phase 4: Identify Promising Models and Draft, Review, and Finalize Recommendations to Strengthen the Impact and Effectiveness of the Safety Net and Upward Mobility Ecosystem (Month 6 - 9)

A.2. The Recipient must spend these funds consistent with the Grant Spending Plan, attached and incorporated herein as Attachment 1. The Recipient must collect data to evaluate the effectiveness of their services and must provide those results to Metro upon request.

A.3. The Recipient will only utilize these funds for services the Recipient provides to documented residents of Davidson County. Documentation of residency may be established with a recent utility bill; voter's registration card; driver's license or other government issued-ID; current record from a school showing address; affidavit by landlord; or affidavit by a nonprofit treatment, shelter, half-way house, or homeless assistance entity located within Davidson County. Recipient agrees that it will not use Metro funding for services to non-Davidson County residents.

A.4. Additionally, the Recipient must collect data on the primary county of residence of the clients it serves and provide that data to Metro upon request.

B. **GRANT CONTRACT TERM:**

Grant contract between the Metropolitan Government of Nashville and Davidson County and The Community Foundation of Middle Tennessee, Contract #__________

B.1. **Grant Contract Term.** The term of this Grant will be _nine months________________, commencing on __June 15, 2026______________ and ending on __March 15, 2027 __________________. Metro will have no obligation for services rendered by the Recipient that are not performed within this term.

C. **PAYMENT TERMS AND CONDITIONS:**

C.1. **Maximum Liability.** In no event will Metro's maximum liability under this Grant Contract exceed three hundred and seventy-two thousand dollars ($372,000). The Grant Spending Plan will constitute the maximum amount to be provided to the Recipient by Metro for all of the Recipient's obligations hereunder. The Grant Spending Plan line items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Recipient.

Subject to modification and amendments as provided in section D.2 of this agreement, this amount will constitute the Grant Amount and the entire compensation to be provided to the Recipient by Metro.

C.2. **Payment Methodology.** The Recipient will only be compensated for actual costs based upon the Grant Spending Plan, not to exceed the maximum liability established in Section C.1.

Recipient may invoice for $100,000 upon approval of the Grants Contract.

Recipient may invoice monthly for up to $34,000.

Receipts must be available for all claimed expenses.

Recipient must send all invoices **Metro Payment Services, PO Box 196301, Nashville TN 37219-6301.**

Final invoices for the contract period should be received by Metro Payment Services by July 15, 2027. Any invoice not received by the deadline date will not be processed and all remaining grant funds will expire.

C.3. **Annual Expenditure Report.** The Recipient must submit a final grant Annual Expenditure Report, to be received by **the Mayor's Office** within 45 days of the end of the Grant Contract. Said report must be in form and substance acceptable to Metro and must be prepared by a Certified Public Accounting Firm or the Chief Financial Officer of the Recipient Organization.

C.4. **Payment of Invoice.** The payment of any invoice by Metro will not prejudice Metro's right to object to the invoice or any other related matter. Any payment by Metro will neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the costs included therein.

C.5. **Unallowable Costs.** The Recipient's invoice may be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by Metro, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs. Utilization of Metro funding for services to non-Davidson County residents is not allowed.

C.6. **Deductions.** Metro reserves the right to adjust any amounts which are or become due and payable to the Recipient by Metro under this or any Contract by deducting any amounts which are or become due and payable to Metro by the Recipient under this or any Contract.

C.7. **Travel Compensation.** Payment to the Recipient for travel, meals, or lodging is subject to amounts and limitations specified in Metro's Travel Regulations and subject to the Grant Spending Plan.

C.8. **Electronic Payment**. Metro requires as a condition of this contract that the Recipient have on file with Metro a completed and signed "ACH Form for Electronic Payment". If Recipient has not previously submitted the form to Metro or if Recipient's information has changed, Recipient will have thirty (30) days to complete, sign, and return the form. Thereafter, all payments to the Recipient, under this or any other contract the Recipient has with Metro, must be made electronically.

D. **STANDARD TERMS AND CONDITIONS**:

D.1. **Required Approvals.** Metro is not bound by this Grant Contract until it is approved by the appropriate Metro representatives as indicated on the signature page of this Grant.

D.2. **Modification and Amendment.** This Grant Contract may be modified only by a written amendment that has been approved in accordance with all Metro procedures and by appropriate legislation of the Metropolitan Council.

D.3. **Termination for Cause.** Metro shall have the right to terminate this Grant Contract immediately if Metro determines that Recipient, its employees or principals have engaged in conduct or violated any federal, state or local laws which affect the ability of Recipient to effectively provide services under this Grant Contract. Should the Recipient fail to properly perform its obligations under this Grant Contract or if the Recipient violates any terms of this Grant Contract, Metro will have the right to immediately terminate the Grant Contract and the Recipient must return to Metro any and all grant monies for services or programs under the grant not performed as of the termination date. The Recipient must also return to Metro any and all funds expended for purposes contrary to the terms of the Grant Contract. Such termination will not relieve the Recipient of any liability to Metro for damages sustained by virtue of any breach by the Recipient.

D.4. **Subcontracting.** The Recipient may not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of Metro. Notwithstanding any use of approved subcontractors, the Recipient will be considered the prime Recipient and will be responsible for all work performed.

D.5. **Conflicts of Interest.** The Recipient warrants that no part of the total Grant Amount will be paid directly or indirectly to an employee or official of Metro as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Recipient in connection with any work contemplated or performed relative to this Grant Contract.

D.6. **Nondiscrimination.** The Recipient hereby agrees, warrants, and assures that no person will be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Recipient on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification which is in violation of applicable laws. The Recipient must, upon request, show proof of such nondiscrimination and must post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.7. **Records.** The Recipient must maintain documentation for all charges to Metro under this Grant Contract. The books, records, and documents of the Recipient, insofar as they relate to work performed or money received under this Grant Contract, must be maintained for a period of three (3) full years from the date of the final payment or until the Recipient engages a licensed independent public accountant to perform an audit of its activities. The books, records, and documents of the Recipient insofar as they relate to work performed or money received under this

Grant Contract are subject to audit at any reasonable time and upon reasonable notice by Metro or its duly appointed representatives. Records must be maintained in accordance with the standards outlined in the Metro Nonprofit Grants Manual. The financial statements must be prepared in accordance with generally accepted accounting principles.

D.8. **Monitoring.** The Recipient's activities conducted and records maintained pursuant to this Grant Contract are subject to monitoring and evaluation by The Metropolitan Office of Financial Accountability or Metro's duly appointed representatives. The Recipient must make all audit, accounting, or financial records, notes, and other documents pertinent to this grant available for review by the Metropolitan Office of Financial Accountability, Internal Audit or Metro's representatives, upon request, during normal working hours.

D.9. **Reporting.** The Recipient must submit an Interim Program Report, to be received by **the Mayor's Office** by no later than Month 6 and a Final Program Report, to be received by Office of Grants and Accountability (OGA), within 45 [forty-five] days of the end of the Grant Contract. Said reports shall detail the outcome of the activities funded under this Grant Contract.

D.10. **Strict Performance.** Failure by Metro to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement is not a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract is considered to be waived, modified, or deleted except by a written amendment by the appropriate parties as indicated on the signature page of this Grant.

D.11. **Insurance.** The Recipient agrees to carry adequate public liability and other appropriate forms of insurance, and to pay all applicable taxes incident to this Grant Contract.

D.12. **Metro Liability.** Metro will have no liability except as specifically provided in this Grant Contract.

D. 13. **Independent Contractor.**_ Nothing herein will in any way be construed or intended to create a partnership or joint venture between the Recipient and Metro or to create the relationship of principal and agent between or among the Recipient and Metro. The Recipient must not hold itself out in a manner contrary to the terms of this paragraph. Metro will not become liable for any representation, act, or omission of any other party contrary to the terms of this paragraph.

D. 14. **Indemnification and Hold Harmless.**

(a) Recipient agrees to indemnify, defend, and hold harmless Metro, its officers, agents and employees from any claims, damages, penalties, costs and attorney fees for injuries or damages arising, in part or in whole, from the negligent or intentional acts or omissions of Recipient, its officers, employees and/or agents, including its sub or independent contractors, in connection with the performance of the contract, and any claims, damages, penalties, costs and attorney fees arising from any failure of Recipient, its officers, employees and/or agents, including its sub or independent contractors, to observe applicable laws, including, but not limited to, labor laws and minimum wage laws.

(b) Metro will not indemnify, defend or hold harmless in any fashion the Recipient from any claims, regardless of any language in any attachment or other document that the Recipient may provide.

(c) Recipient will pay Metro any expenses incurred as a result of Recipient's failure to fulfill any obligation in a professional and timely manner under this Contract.

(d) Recipient's duties under this section will survive the termination or expiration of the grant.

D.15 **Force Majeure.** "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party. Except as provided in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a breach under this Grant Contract. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. Recipient will promptly notify Metro within forty-eight (48) hours of any delay caused by a Force Majeure Event and will describe in reasonable detail the nature of the Force Majeure Event.

D.16. **State, Local and Federal Compliance.** The Recipient agrees to comply with all applicable federal, state and local laws and regulations in the performance of this Grant Contract. Metro shall have the right to terminate this Grant Contract at any time for failure of Recipient to comply with applicable federal, state or local laws in connection with the performance of services under this Grant Contract.

D.17. **Governing Law and Venue.** The validity, construction and effect of this Grant Contract and any and all extensions and/or modifications thereof will be governed by and construed in accordance with the laws of the State of Tennessee. The venue for legal action concerning this Grant Contract will be in the courts of Davidson County, Tennessee.

D.18. **Completeness.** This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.19. **Headings.** Section headings are for reference purposes only and will not be construed as part of this Grant Contract.

D.20. **Metro Interest in Equipment.** The Recipient will take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant Contract, subject to Metro's equitable interest therein, to the extent of its *pro rata* share, based upon Metro's contribution to the purchase price. "Equipment" is defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds $5,000.00.

The Recipient agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at any time during the term of the Grant Contract, the Recipient must request written approval from Metro for any proposed disposition of equipment purchased with Grant funds. All equipment must be disposed of in such a manner as parties may agree as appropriate and in accordance with any applicable federal, state or local laws or regulations.

D. 21. **Assignment—Consent Required.** The provisions of this contract will inure to the benefit of and will be binding upon the respective successors and assignees of the parties hereto. Except for the rights of money due to Recipient under this contract, neither this contract nor any of the rights and obligations of Recipient hereunder may be assigned or transferred in whole or in part without the prior written consent of Metro. Any such assignment or transfer will not release Recipient from its obligations hereunder. Notice of assignment of any rights to money due to Recipient under this Contract must be sent to the attention of the Metro Department of Finance.

D.22. **Gratuities and Kickbacks.** It will be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparations of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter, pertaining to any program requirement of a contract or subcontract or to any solicitation or proposal therefore. It will be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or a person associated therewith, as an inducement for the award of a subcontract or order. Breach of the provisions of this paragraph is, in addition to a breach of this contract, a breach of ethical standards which may result in civil or criminal sanction and/or debarment or suspension from participation in Metropolitan Government contracts.

D.23. **Communications and Contacts.** All instructions, notices, consents, demands, or other communications from the Recipient required or contemplated by this Grant Contract must be in writing and must be made by facsimile transmission, or by first class mail, addressed to the respective party at the appropriate facsimile number or address as set forth below <u>or</u> to such other party, facsimile number, or address as may be hereafter specified by written notice.

Metro

For contract-related matters: **Mayor's Office** **1 Public Square,** **Nashville, TN 37201** **(615) 862-6000**	**For invoice-related matters:** **Mayor's Office** **Mayor's Office** **1 Public Square,** **Nashville, TN 37201** **(615) 862-6000**

Recipient

Hal Cato, CEO
The Community Foundation of Middle Tennessee, Inc.
3421 Belmont Blvd
Nashville, TN 37215
(615) 364-3273

D.24. **Lobbying.** The Recipient certifies, to the best of its knowledge and belief, that:

a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, and entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a

Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, loan, or cooperative agreement, the Recipient must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

c. The Recipient will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and contracts under grants, loans, and cooperative agreements) and that all subcontractors of federally appropriated funds shall certify and disclose accordingly.

D.25. **Certification Regarding Debarment and Convictions.**

a. Recipient certifies that Recipient, and its current and future principals:

i. are not presently debarred, suspended, or proposed for debarment from participation in any federal or state grant program;

ii. have not within a three (3) year period preceding this Grant Contract been convicted of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) grant;

iii. have not within a three (3) year period preceding this Grant Contract been convicted of embezzlement, obstruction of justice, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and

iv. are not presently indicted or otherwise criminally charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in sections D.25(a)(ii) and D.25(a)(iii) of this certification.

b. Recipient shall provide immediate written notice to Metro if at any time Recipient learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals fall under any of the prohibitions of Section D.25(a).

D.26. **Effective Date.** This contract will not be binding upon the parties until it has been signed first by the Recipient and then by the authorized representatives of the Metropolitan Government and has been filed in the office of the Metropolitan Clerk. When it has been so signed and filed, this contract will be effective as of the date first written above.

(THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.)

Grant contract between the Metropolitan Government of Nashville and Davidson County and The Community Foundation of Middle Tennessee, Contract #___________

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

APPROVED AS TO AVAILABILITY OF FUNDS:

Jenneen Reed/mjw
Director of Finance

APPROVED AS TO FORM AND LEGALITY

Abby Greer
Metropolitan Attorney

LBJ

FILED IN THE OFFICE OF THE CLERK:

____
Metropolitan Clerk

RECIPIENT: The Community Foundation of Middle Tennessee

By: Hal Cato

Title: CEO

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY GRANT SPENDING PLAN

RECIPIENT NAME:	Community Foundation of Middle Tennessee - Urban Institute Project

THE FOLLOWING IS APPLICABLE TO EXPENSES PLANNED TO BE INCURRED DURING THE
CONTRACT GRANT PERIOD: 06/15/2026 through 03/15/2027

	EXPENSE OBJECT LINE-ITEM CATEGORY	METRO GRANT FUNDS	RECIPIENT MATCH (participation)	TOTAL PROJECT
	Salaries and Wages	$287,774.00		$287,774.00
	Benefits and Taxes [(PERCENT)]			$0.00
	Professional Fees	$49,611.00		$49,611.00
	Supplies			$0.00
	Communications			$0.00
	Postage and Shipping			$0.00
	Occupancy			$0.00
	Equipment Rental and Maintenance			$0.00
	Printing and Publications			$0.00
	Travel/ Conferences and Meetings	$14,340.00		$14,340.00
	Insurance			$0.00
	Specific Assistance to Individuals	$15,275.00		$15,275.00
	Other Non-Personnel	$5,000.00		$5,000.00
	GRAND TOTAL	$372,000.00	$0.00	$372,000.00

URBAN INSTITUTE · ELEVATE · THE · DEBATE

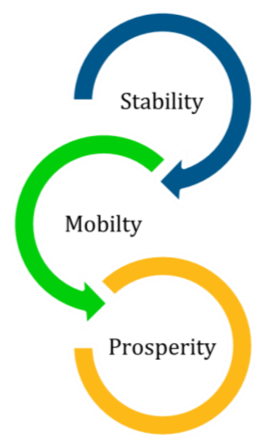
Advancing the Impact and Effectiveness of Stability, Mobility and Prosperity Services in Nashville, Tennessee

Developing a Holistic Framework to Improve Shared Accountability and Delivery Excellence Across the Stability-Mobility-Prosperity Continuum

I. Economic Mobility Challenges in the Nashville Region

Nashville-Davidson has seen booming growth in recent years, with its population growing 6.4% between 2020 and 2024, and median household income over $14,000 greater than the statewide average (ThinkTennessee 2025). But the benefits of this economic growth have not been equitably shared, leaving working families facing rising costs and pressing affordability challenges. One report of findings from 10,000 residents found that 72% of Nashville residents saw a growing divide between the rich and poor, and 57% of families felt increasingly excluded from opportunities and benefits of living there (Imagine Nashville 2024). Housing availability also presents challenges for household financial security. Affordable housing development has not kept pace with population growth, with 31 affordable and available housing units for every 100 extremely low-income households (Urban Institute 2024). In turn, median rent prices have increased 43.6% in just five years from 2017 to 2022, leaving nearly 52% of renter households cost burdened (paying more than 30% of their income on housing) (ThinkTennessee 2025). The region also experiences racial disparities in economic wellbeing; in 2023, Black households in the 80th percentile for income made $95,587 relative to white households in the 80th percentile, who made $168,854 (Urban Institute 2024).

II. Increasing the Impact and Effectiveness of Stability-Mobility-Prosperity Services through Strategic Realignment



Given the complex challenges described above, it can be helpful to think of the range of human and social services that operate within a community according to a "**Stability-Mobility-Prosperity**" continuum: in essence, there are programs and services designed to "stabilize" residents such as SNAP, homeless shelters, and food banks designed to prevent people from entering abject poverty; programs and services designed to "mobilize" residents *out* of poverty—such as financial coaching, housing choice vouchers, and job training that help people start to increase their income and savings and move to stable housing; and programs and services which are intended to help residents achieve "prosperity"—such as wealth-building initiatives and homebuyer programs that put residents on the long-term path to health, wealth, and well-being. To help people move out of poverty toward long-term prosperity, it is also essential that residents achieve all three parts of the Upward Mobility Framework's definition: economic success, power and autonomy, and dignity and belonging.

Over the years, as the Nashville region grew, so too did its government and social service ecosystem. However, the fast pace of growth has resulted in a haphazard organizational

500 L'Enfant Plaza SW
Washington, DC 20024

urban.org

structure that creates operational inefficiencies and hinders residents from moving through the continuum successfully. Although many stakeholders in Nashville-Davidson have been working for years to understand and address the region's complex socioeconomic challenges, providers typically operate programs and services within silos, resulting in inefficiencies that likely impair their quality, reach, and impact for residents as well as resulting in duplication, unknown gaps in services, and financial waste on the part of service providers. Additionally, a lack of shared accountability to collective goals and a lack of understanding of how the various programs and services within the region fit together make it difficult to align the diverse array of economic mobility stakeholders in the region, identify service gaps, and help residents transition to the next stage along the continuum. Finally, new crises and limited resources mean that governments all across the country are forced to do more with less.

In light of these challenges and some of the growing disparities within the community, several key actors within Nashville-Davidson have recognized the need for a deeper review of how human and social services actors in the region, including Metro Nashville government, are collectively responding to community needs at different stages in their upward mobility journeys. With this deeper understanding, Metro Nashville can make strategic decisions on how to best deliver programs and services in order to achieve delivery excellence and ultimately, greater impact for residents.

III. The Urban Institute

As one of the premier social science research and policy nonprofits, the Urban Institute has extensive expertise and experience that bridge the social safety net and upward mobility ecosystems. Several program centers at Urban examine the effectiveness and impact of a range of core social safety net and benefits programs, such as food assistance, housing and homeless shelters, tax credits for households with low incomes, and Medicaid.

Within the policy realms of economic mobility and prosperity, Urban's Upward Mobility Initiative (UMI) is a nationally recognized effort helping communities advance economic mobility through a proven framework, actionable data tools, and tailored technical assistance. Anchored in the Upward Mobility Framework —which defines upward mobility as an integration of economic success, dignity and belonging, and power and autonomy—the UMI provides local leaders with tools such as the Upward Mobility Data Dashboard (tracking 24 predictors across five community pillars like high-quality education, rewarding work, and responsive and just governance), the Toolkit for Increasing Upward Mobility, and real-world application examples to support communities in setting priorities, building cross-sector coalitions, mobilizing action, and measuring progress towards systemic change.

Our training and technical assistance (TTA) has supported 34 communities and the members of 11 networks like the National Association of Counties, CF Leads, and Feeding America to translate the Framework and community data into practical strategies. Our interactive workshops, peer learning spaces, and individualized coaching have guided mobility action teams in developing mobility action plans that align with local priorities and are backed by strong cross-sector coalitions. Each learning experience is designed with local context in mind, grounded in adult learning best practices, and focused on effective skill transfer so communities can build lasting capacity to plan and implement mobility strategies. Two of our partners in the Mobility Action Learning Network (MALN), Richmond, VA and Charlotte-Mecklenburg County, NC, exemplify our impact: following their participation in the MALN, the Richmond team launched RVA Rising, a data-driven regional cross-sector collaborative aligning local and state efforts across community and government institutions, while Charlotte integrated multiple data tools and elevated community voices to expand their Opportunity Compass dashboard and metrics to further track mobility conditions and community priorities. Beyond TTA engagements, the UMI regularly convenes hundreds of leaders through high-impact events such as our series of webinars that provide practical strategies for how to apply the framework and related tools to hundreds of local leaders.

Thanks to a concerted focus on and investment in economic mobility from the Gates Foundation, national organizations like the Urban Institute, International City/County Management Association, National Association of Counties, and National League of Cities have been supporting communities around the country in addressing economic mobility challenges, and places like Charlotte-Mecklenburg, North Carolina; Richmond, Virginia; Kansas City, Missouri; Dallas, Texas; and Memphis, Tennessee are all launching new upward mobility initiatives, providing the Nashville-Davidson region with examples and a national movement to join and learn from.

IV. Proposed Approach

The goal of this project is to support Metro Nashville and its partners to achieve three goals: excellence in program delivery, shared accountability among stability-mobility-prosperity stakeholders, and increased impact and effectiveness of the human and social services ecosystem in the Nashville region. To achieve those goals, the Urban Institute team, in partnership with Metro Nashville and the Community Foundation of Middle Tennessee leadership, would convene the SMP (Stability, Mobility, Prosperity) Working Group who would collaboratively develop and implement a set of actionable recommendations to streamline and connect the safety net and upward mobility ecosystems going forward. At this early stage, we envision the SMP Working Group would be comprised of members from existing cross-departmental/cross-sector initiatives identified by Nashville leadership. Collectively the SMP Working Group would lay the groundwork for formalizing the region's upward mobility commitments within the social service space, and that work could transition to a more formal body, such as a coordinating council, with a mandate for ongoing implementation and program review. (See more about the SMP Working Group in section V.)

In the text below, we outline a proposed phased approach to our work. Please note that the timeline is based on an April start date, but we would adjust as needed depending on grant finalization.

Phase 1: Community Conditions Desk Research, Project Kickoff, and Overall Project Management (April 2026)

To begin our project, the Urban team would inventory and scan recent reports by Metro Nashville and its nonprofit partners while gathering existing data about key populations, neighborhoods, and issues of concern in Nashville-Davidson to establish a baseline understanding of who utilizes or should be utilizing social safety net and upward mobility services in the region.

To formally launch the project, the Urban team would come to Nashville for a series of project kickoff meetings to meet with relevant Metro department directors and citywide social service providers, such as the Metro Government Social Services Department and the Metro Action Commission, to outline the project phases, focus, and goals, gather initial insights and feedback, and identify key points of contact for the upcoming landscape scan. In particular, we will work with this group to clearly define what stability, mobility and prosperity means in terms of Nashville's programs and services so that we leave these meetings with a firm sense of the parameters for our landscape scan. At the end of each phase, Urban would brief the Working Group on its findings and gather preliminary recommendations for advancing the next phase of work.

In addition to these in-person scoping meetings, we would set up recurring virtual meetings with partnership managers (e.g. biweekly, monthly) and establish our project workplan.

Phase 2: Information-Gathering about Programs and Services along the SMP Continuum (April - June 2026)

In order to more deeply understand the reach, impact, and effectiveness of the safety net and upward mobility ecosystems in moving local residents and their families through the SMP continuum, the Urban team would need to:

- build the full list of organizations operating within the continuum and the programs and services that they operate.
- understand the *demand*, *quality* and *reach* of the programs and services they operate. (**See note at the end of this document)
- understand each organization's *capabilities*, *staffing*, *resources*, and *the roles they play within the continuum and within their specific stability*, *mobility*, *or prosperity ecosystem*.
- understand the state of the ecosystems as a whole, including the *strength of relationships between actors* within the ecosystems, *potential gaps or roles not being played*, *duplication of effort*, *silos where information isn't flowing or collaboration doesn't happen*, *how the ecosystems are or are not amplifying the benefit that any one organization could have on their own*, *how the ecosystems are or are not prepared for a crisis,* and *how the stability*, *mobility*, *and prosperity ecosystems are aligned*, *work together*, *and move people through them.*

In partnership with the SMP Working Group , the Urban team will gather this information through the following methods:

(1) We will conduct a landscape scan/inventory of existing safety net and upward mobility programs and services along with recent policy reports, evaluations, and assessments of their respective programs and projects. We will use the Upward Mobility Framework's pillars and predictors and the SMP continuum developed by the Washington, DC Mobility Action Team (see pg. 6 of the DC Mobility Action Plan) to categorize the region's programs.

(2) We will ask identified organizations to complete a brief survey about their programs and services including what populations and neighborhoods they serve, the demand for those services, how the program or service embodies the three-part definition on mobility from poverty, what their various offerings include, how they measure their impact, what indicators they track, how they fund and resource their work, and how they participate within the broader social service ecosystem.

(3) Depending on the level of information that we're able to gather, we will likely need to conduct interviews or focus groups with key program administrators, service beneficiaries, and other relevant people with direct experience and expertise in major social service programs. These conversations will help us develop a sufficiently complete picture of the SMP continuum and spotlight the process delivery steps for major social service programs.

Our team has robust experience conducting qualitative research, interviews, and focus groups, and Urban has an in-house Institutional Review Board (IRB) which reviews all research and interview protocols to ensure our process meets ethical standards and safeguards the privacy of all interviewees, especially vulnerable populations such as social service program beneficiaries.

Findings from the interviews and focus groups would be aggregated and anonymized in an accessible format (e.g., memo, synthesis brief, slide deck) for all partners' review to inform the subsequent ecosystem and process mapping exercise and the development of recommendations.

Phase 3: Map the SMP Continuum, the Ecosystems, and Chart Major Programs (July-August 2026)

In our third phase of work, the Urban team will analyze the information gathered in the previous phase in order to develop a map of the Stability-Mobility-Prosperity continuum in Nashville. We would also identify 3-5 major social service programs and guide the managers and key staff that administer those programs to chart each of the major internal and external steps in the process of delivering those services to better understand potential bottlenecks, pain points, and opportunities for streamlining.

We would present our maps, process charts and initial landscape scan to the SMP Working Group at an in-person half-day or day-long workshop in Nashville and seek to generate a discussion about the state of the safety net and upward mobility ecosystem.

Phase 4: Identify Promising Models and Draft, Review, and Finalize Recommendations to Strengthen the Impact and Effectiveness of the Safety Net and Upward Mobility Ecosystem (September-December 2026)

Based on the landscape scan, ecosystem maps and program process charts, the Urban team, in consultation with leadership of Metro Nashville and the Community Foundation, would develop a set of core organizing principles and framework for improving the coordination and collaboration of service providers operating within the Stability-Mobility-Prosperity continuum. Urban would draft a series of preliminary short and mid-term program, policy and process improvement recommendations and actions along with examples of promising models from Nashville's peer cities/regions.

Urban would return to Nashville for a two-day workshop to vet these draft recommendations with the SMP Working Group toward the end of 2026. Based on the SMP Working Group's guidance and feedback, Urban, Metro Nashville, and the Community Foundation would finalize the recommendations and draft a 10–12-page report, 3-4 fact sheets describing proposed solutions and any parallel examples from other communities, a blog, and a PowerPoint deck that Metro Nashville and others can use to share the results of this project.

At this point, the Urban team would assist the SMP Working Group as it evolves into a more formal cross-sector, cross-agency collective that would be charged with overseeing the adoption and implementation of the recommendations.

V. The Stability-Mobility-Prosperity Working Group

Building on the work and engagement with Metro Government Social Services Department and the Metro Action Commission, the SMP Working Group would include local organizations, agencies, and experts that touch different stages of the SMP continuum and that align with the region's priority areas identified in the landscape scan process. We would work closely with the Metro Government team to leverage the engagement and wisdom from relevant, existing working groups, commissions and cross-agency/cross-sector collectives.

While the scope of the Working Group is being determined, regardless of the focus area, membership could include community members who receive services, service administrators from nonprofit and government organizations, economic development or business representatives, which could include employers or broader organizations like the Nashville Area Chamber of Commerce, philanthropic representatives, and representatives from major anchor institutions such as local universities, health systems, or faith-based organizations. This mix of representatives will help ensure recommendations are feasible and grounded in both needs and capacities of the region's social safety net and upward mobility ecosystems and will help identify areas that need additional resources to best support people in need.

The subsequent formal body mentioned above would retain members from the Working Group to ensure continuity between the planning and implementation stages and based on the goals and priorities of local experts in the Working Group, could expand to reflect people with the authority or responsibility to enact or implement the recommendations. We anticipate that this transition would occur around early 2027, but that this would ultimately be determined in partnership with the Working Group and project leadership.

Through the course of this partnership, Urban will support local leaders in structuring the Working Group and eventual formal body, including determining its size and governance model, establishing its commitments, and developing a strategy for ongoing engagement and Working Group sustainability.

VI. Core Team & Qualifications

Martha Fedorowicz is a training and technical assistance manager in the Research to Action Lab at the Urban Institute, where she works with local government agencies, philanthropic organizations, and nonprofits to conduct policy research, provide technical assistance, and translate research into practical tools for policymakers. From November 2023 to July 2025, Martha served as the Director of Technical Assistance for the Urban Institute's Upward Mobility Initiative (UMI). In this role, she oversaw three technical assistance teams of 21 individuals all delivering or developing trainings and technical assistance on upward mobility. She also participated on the Initiative's senior leadership team where she contributed to decisions regarding the operation, management, and activities of the project; contributed to proposal development for new work; met regularly with program officers at the Gates Foundation; liaised with partners at CFLeads, the National Association of Counties, Results for America, the International City/County Management Association, and National League of Cities; and represented the Upward Mobility Initiative at national conferences and webinars. Since becoming Director of Technical Assistance on the UMI, Martha has made over a dozen presentations on the Upward Mobility Framework to more than 1,000 people. Prior to becoming the Director of Technical Assistance, Martha was the lead author on the UMI's Planning Guide for Local Action and led the Washington, DC and Philadelphia teams in the Boosting Upward Mobility Cohort.

Aside from her work on the UMI, Martha leads technical assistance engagements helping localities around the county to utilize the Policy & Systems Change Compass in support of more effective and impactful local solutions and develops other tools and guides to support local leaders in making better policies and programs. Her policy areas of interest include economic mobility, affordable housing, transportation, and community engagement.

Before joining Urban, Martha was a special projects administrator with the City of Lansing's Department of Neighborhoods and Citizen Engagement and a summer policy associate in the City of Detroit's Department of Neighborhoods. Martha has a certification in Training and Facilitation from the Association for Talent Development.

Joseph Schilling is a senior policy and research associate in the Research to Action Lab at the Urban Institute. As a strategic advisor and national expert on land use, zoning, urban sustainability, municipal innovation, and civic and municipal capacity building, Joe guides public officials, philanthropy, and community leaders in the co-design and development of dynamic models of cohort and collaborative learning that facilitate climate resilience, equity, urban regeneration, affordable housing, community/economic development and neighborhood revitalization. An accomplished public policy facilitator, Joe has led dozens of research workshops, policy dialogues, community forums, and cross sector collective impact initiatives. In partnership with the National League of Cities, Joe co-developed —a holistic framework to help local government officials, staff and their nonprofit partners meaningfully design, adopt, implement and assess system changes and policy innovations. Joe was also the co-lead of the Building Coalitions track of the Upward Mobility Initiative's Mobility Action Learning Network.

Before joining Urban, Joe worked as a municipal land use attorney, a California legislative fellow, the director of community and economic development for ICMA and served as associate director and senior fellow for Virginia Tech's Metropolitan Institute.

Karolina Ramos is a policy program manager in the Research to Action Lab at the Urban Institute, where she manages partnerships and research projects on topics related to inclusive economies and equity-driven policymaking in communities, including work on upward mobility from poverty, local uses of federal funding, affordable housing, and transportation.

This work has included extensive advising for and partnerships with local government and community institutions across the country, including managing a research project on the role of Nashville-Davidson's anchor institutions in advancing affordable housing in the region. Through close partnerships with ThinkTennessee, the Metro Planning Department, and a researcher at Tennessee State University, this work analyzed availability of developable land for affordable housing and outlined actionable recommendations for the region to strengthen housing development partnerships. This research motivated Mayor Freddie O'Connell's launch of a faith-based housing development accelerator in 2024.

In 2024, Karolina served as the co-lead of the Measuring Impact track of the Upward Mobility Initiative's Mobility Action Learning Network where she worked closely with the Charlotte-Mecklenburg, Richmond, and Memphis teams in measuring progress toward their upward mobility goals.

Prior to working at the Urban Institute, Karolina worked to advance gender data in policymaking as a senior associate at the United Nations Foundation and researched civic technology and the social safety net with the Aspen Institute Financial Security Program. She has also served as a fellow with the University of Michigan's Poverty Solutions center; in community development roles for the City of Burlington, Vermont; and as a White House intern during the Obama administration. Karolina earned a bachelor's degree in political science from the George Washington University honors program and a master's degree in public policy from the University of Michigan, where she received a full-tuition fellowship as a Rackham Merit Fellow.

Amelia Coffey is a senior research associate in the Family and Financial Well-Being Division at the Urban Institute, specializing in qualitative and community-engaged methods. Her work focuses on research and evaluation of policies and programs intended to support stability, mobility, and well-being for families and young people. Over the last year, she has conducted a landscape analysis of public benefit enrollment approaches in the US and developed a toolkit that compiles resources and strategies state and local human services agencies can use to better coordinate and integrate programs. She was also a member of Urban's Upward Mobility Initiative team, serving as an internal evaluator of the Initiative's various workstreams.

VII. Timeline and Estimated Costs

If we were to sign a contract and begin work by early April, we estimate that we could complete the aforementioned activities by the end of 2026. Please see the estimated timelines for each task in the sections above. We estimate that the proposed scope of work will cost $300-$350,000. Once we've met with Hal and Kristin to review and finalize the scope, we will develop a more precise estimate for the work.

VIII. Additional Considerations & Limitations

** While Urban has program assessment/program evaluation expertise, the focus for this engagement is to understand the "current state" of these programs, who they serve (aka the reach of the program), the current scale and scope of the program and the services they deliver, who delivers the service, who receives it and where they are in the SMP continuum, how they deliver (process mapping), and what the results are (short to mid-term) using previous assessment or annual reports. Due to budget and time limitations, we will not do a full program evaluation or original research, but we will note where that level of detailed analysis might be helpful at some point in the near future.

IRS Department of the Treasury
Internal Revenue Service

OGDEN UT 84201-0046

In reply refer to: 0423371862
Sep. 19, 2007 LTR 3064C E0
62-1471789 000000 00 000
00015298
BODC: TE

THE COMMUNITY FDN OF MIDDLE TN INC
3833 CLEGHORN AVE STE 400
NASHVILLE TN 37215-2519005

13015

Dear Taxpayer:

Thank you for the inquiry of Aug. 08, 2007, to resolve your account with the IRS.

We have updated your account as requested.

Thank you for bringing to our attention the correction in your organization's name. Due to our procedures, we are unable to add commas, periods, parentheses, or apostrophes. Additionally, limited printing space may prevent the entire name from showing on your mail.

If you have any questions, please call us toll free at 1-877-829-5500.

If you prefer, you may write to us at the address shown at the top of the first page of this letter.

Whenever you write, please include this letter and, in the spaces below, give us your telephone number with the hours we can reach you. Also, you may want to keep a copy of this letter for your records.

Telephone Number (   )________________________ Hours________________

0423371862
Sep. 19, 2007 LTR 3064C E0
62-1471789 000000 00 000
00015299

THE COMMUNITY FDN OF MIDDLE TN INC
3833 CLEGHORN AVE STE 400
NASHVILLE TN 37215-2519005

We apologize for any inconvenience we may have caused you, and thank you for your cooperation.

Sincerely yours,

Karen E. Peat

Karen E. Peat
Dept. Manager, Code & Edit/Entity 3

Enclosure(s):
Copy of this letter

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
401 W. PEACHTREE ST, NW
ATLANTA, GA 30365-0000

DEPARTMENT OF THE TREASURY

Date:
APR 0 9 1996

NASHVILLE AREA COMMUNITY FOUNDATION
INC
210 23RD AVENUE
NASHVILLE, TN 37203

Employer Identification Number:
62-1471789
Case Number:
586093088
Contact Person:
EP/EO CUSTOMER SERVICE UNIT
Contact Telephone Number:
(410) 962-6058
Our Letter Dated:
February 25, 1992
Addendum Applies:
Yes

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

NASHVILLE AREA COMMUNITY FOUNDATION

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

District Director

Enclosure:
Addendum

NASHVILLE AREA COMMUNITY FOUNDATION

Your classification as an organization described in sections 170(b)(1)(A)(vi) and 509(a)(1) of the Code is contingent upon you continuing to meet the public support requirements of these Code sections. Please refer to Publication 557, Qualifying As Publicly Supported, under Chapter 3, for further details concerning these requirements. If your sources of support change significantly in the future, you should notify your Key District Director so that we can consider the effect if any on your foundation status.

STATE OF TENNESSEE

Department of State
Division of Charitable Solicitations and Gaming
312 Rosa L. Parks Avenue
8th Floor, William R. Snodgrass Tower
Nashville, TN 37243
(615) 741-2555

AFFIDAVIT AFFIRMING ORGANIZATION'S 501(C)(3) STATUS

Please print clearly. This form must be signed before a notary by the President, Chair Person, or Chief Administrative Officer AND Secretary and filed with an annual event application.

1. Name of Organization The Community Foundation of Middle Tennessee
2. Physical Address 3833 Cleghorn Avenue, Suite 400, Nashville, TN 37215
3. I, Ellen Lehman, as President
(Print Name) (Title)

of the above named organization, do hereby certify and affirm to the following that the organization's §501(c)(3) status has not been revoked by the Internal Revenue Service and that: (Check one that applies)

☐ The organization has been in continuous and active existence in Tennessee for five (5) years immediately preceding the event date listed in an annual event application as an organization exempt from federal income taxation under § 501(a) of the Internal Revenue Code as an organization described in § 501(c)(3) of the Internal Revenue Code; Or

☑ The organization has been in continuous and active existence in Tennessee for five(5) years immediately preceding the event date listed in an annual event application as an organization exempt from federal income taxation under § 501(a) of the Internal Revenue Code as an organization described in any subdivision of § 501(c) of the Internal Revenue Code, but, prior to submission of an annual event application, has received exemption from federal taxation as an orga nization described in § 501(c)(3) of the Internal Revenue Code; Or

☐ The organization has been conducting a fishing event for the benefit of youth for at least ten (10) successive years in the county in which it applies to hold an annual event, but, prior to submission of an annual event application, has received exemption from federal taxation as an organization described in § 501(c)(3) of the Internal Revenue Code; Or

☐ The organization has been operating for at least four (4) years in Tennessee as part of an organization exempt from federal taxation as an organization described in § 501(c)(3) of the Internal Revenue Code, but, prior to submission of an annual event application, has received separate exemption from federal taxation as an organization described in § 501(c)(3) of the Internal Revenue Code.

Signatures

I declare that the above statements are true and correct to the best of my knowledge and belief.

Print Name Ellen Lehman Title: President
(President, Chairperson or Chief Administrative Officer)

Signature: Ellen Lehman Date: 1/27/10

Print Secretary's Name: Kevin P. Lavender Secretary's Signature: Kevin P. Lavender

State of Tennessee)
County of Davidson)
Sworn to before me this 27th day of January 2010

Melissa Anderson
Notary Public

MELISSA ANDERSON STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY
My Commission Expires November 4, 2013

My Commission Expires: 11/04/2013

SS-6060 (Rev. 12/09) RDA 1742

BYLAWS

OF

THE COMMUNITY FOUNDATION OF MIDDLE TENNESSEE, INC.

ARTICLE I

NAME & LOCALE

The affairs of the Corporation shall be conducted using the name The Community Foundation of Middle Tennessee, Inc. or such other name or names as the Board of Directors may from time to time authorize. The corporation's main geographic area shall encompass the counties of the middle portion of the State of Tennessee, as set forth by the Board of Directors, but nothing herein shall prevent the corporation from conducting its business outside this geographic area.

ARTICLE II

OFFICES

The principal office of the Corporation shall be located in Nashville, Davidson County, Tennessee. The Corporation may also maintain offices at such other places as the Board of Directors may from time to time designate or as the affairs of the Corporation may from time to time require.

ARTICLE III

MEMBERS

The Corporation is to have no members.

ARTICLE IV

DIRECTORS

Section 1. Management. All corporate powers shall be exercised by or under the authority of, and the affairs the Corporation managed under the direction of, the Board of Directors.

Section 2. Number. The number of directors of the Corporation initially shall be twenty-five (25) and thereafter shall be as fixed from time to time by the Board of Directors, provided that at no time shall the number of directors be fewer than three (3). Furthermore, additional seats on the Board of Directors shall be created to accommodate other specific provisions included in these Bylaws.

Section 3. Selection and Term of Office. Members of the initial Board of Directors were elected by the incorporators. Successors to members of the Board of Directors shall be elected by the Board currently in office. Directors of the Corporation shall hold office for a term of three (3) years commencing May 1 and will serve until their successors are elected. Whenever possible, they shall be elected so that the terms of one-third (1/3) of the directors, or as close an approximation to one-third (1/3) of the directors as can be made, will expire every year. Directors may be reelected for only one successive term and may not be reelected upon expiration of such successive term without the lapse of intervening time off the Board. As an exception, the President shall be a member of the Board of Directors by virtue of holding the office of President and shall remain a member of the Board of Directors for such time as holding the office of President. Notwithstanding the aforementioned, for the sake of immediate continuity, the Directors at the time of the approval of this amendment in 1998, shall be permitted to serve an additional three (3) year term beyond the present schedule of terms, if nominated and elected to serve. Members of the Board of Directors are expected to comply with the requirements related to Board Members' participation as determined by the Council on Foundation's National Accreditation Standards for Community Foundations.

Section 4. Ex-Officio. Should the Board or Nominating Committee choose to create one or more non-voting ex-officio positions to augment its membership, such seats will be filled for a period of one (1) year commencing May 1. Ex-officio Board members are expected to comply with the requirements related to Board Members' participation as determined by the Council on Foundation's National Accreditation Standards for Community Foundations. Ex-officio Board members may be re-elected for one (1) additional one-year term but may not be re-elected upon expiration of such successive term without the lapse of intervening time off the Board unless they are chosen to fill a seat on the Board of Directors of The Community Foundation of Middle Tennessee through the regular selection process. In the case of Ex-officio Board members serving in the capacity of representatives of other organizations, their names would be presented for consideration to the Board or Nominating Committee of The Community Foundation of Middle Tennessee by the Chair of the Board of the organization on which the person sits.

Section 5. Removal of Directors. Directors may be removed, with or without cause, by a vote of two-thirds (2/3) of the directors then in office.

Section 6. Resignation. Any director may resign at any time by giving written notice to the Board of Directors, the Chair of the Board, or the Corporation. A resignation shall be effective when notice thereof is so delivered, unless the notice specifies a later effective date.

Section 7. Vacancies and Newly Created Directorships. Any vacancy on the Board of Directors, whether occurring by reason of an increase in the number of Directors, a vacancy resulting from a removal with or without cause, or by any other reason, may be filled by a vote of the directors then in office. A director elected to fill a vacancy shall be elected to hold office for the unexpired term of his predecessor, or, if there is no predecessor, until the next regular or special meeting of the Board of Directors designated for the purpose of electing directors.

Directors elected to fill unexpired terms of less than eighteen (18) months shall be eligible for election to two successive full terms of three (3) years. If elected for more than an eighteen (18) month partial term, they shall be eligible for one (1) additional full term of three (3) years.

Section 8. Meeting.

(a) Regular and Special Meetings. The Board of Directors shall provide by resolution for the holding of regular meetings (no fewer than four (4) per year) of the Board of Directors, and may fix the time and place thereof. Special meetings of the Board of Directors shall be held whenever called by the Chair of the Board, the President, or any two (2) directors, at such place, date, and time as may be specified in the notice thereof. All meetings, whether regular or otherwise, of the Board of Directors shall be documented by minutes reflecting all business transactions of the Board.

(b) Notice. Any board action to remove a director or to approve a matter which would require approval by the members if the Corporation had members shall not be valid unless each director is given at least seven (7) days' written notice that the matter will be voted upon at a directors' meeting or unless notice is waived pursuant to Section 48-50-204 of the Tennessee Code Annotated.

(c) Quorum and Vote. Except as otherwise provided in Section 10 of this Article IV, one-third (1/3) of the number of directors then in office shall constitute a quorum for the transaction of business of the Corporation, provided that at no time shall a quorum consist of fewer than two (2) directors. Board and Committee matters which require action between meetings may be discussed and voted upon by means of telegraph, telephone, facsimile, e-mail, mail or any other such communications conveyance created in the future. If an action is taken by e-mail then it should be followed up by a signed letter or facsimile reiterating each participant's vote.

Section 9. Reliance Upon Information, Opinions, Reports, or Statements. To the full extent allowed by law, a member of the Board of Directors, or a member of any committee of the Board of Directors, shall, in the performance of his duties, be protected in relying in good faith upon information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by, (i) one or more officers or employees of the Corporation whom the directors reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence; or (iii) a committee of the Board of Directors of which he is not a member if the directors reasonably believes the committee merits confidence.

Section 10. Compensation. No stated salary shall be paid to directors for their services. However, nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefore.

Section 11. Transaction in Which One or More Directors or Officers Has an Interest. No transaction in which a director or officer of the Corporation has a direct or indirect interest shall be void or voidable, or be impaired, affected, or invalidated in any way solely for this reason or solely because he is present at or participates in the meeting or his vote is counted, provided that the material facts as to his interest and as to the transaction are disclosed or are known to the Board of Directors or a committee of the Board of Directors and provided that the Board of Directors or such committee properly authorizes, approves, or ratifies the transaction by the affirmative vote of a majority of the directors on the Board of Directors, or on such committee who have no direct or indirect interest in the transaction, except that a transaction may not be authorized, approved, or ratified under this Section 10 by a single director. If a majority of the directors present at a duly constituted meeting of the Board of Directors, who have no direct or indirect interest in the transaction, vote to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action as provided in this Section 10.

Section 12. Executive Committee. There shall be an Executive Committee of the Board of Directors consisting of the Chair, Vice Chair, Secretary and Treasurer of the Board, the immediate Past Chair and others, if any, elected by the Board. Subject to any specific directions or restrictions given by the Board of Directors, the Executive Committee may exercise all the authority of the Board of Directors, except that the Executive Committee shall not approve dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Corporation's assets; elect, appoint, or remove directors or fill vacancies on the Board of Directors or on any of its committees; or amend or appeal the charter or these by-laws or adopt new by-laws.

The Chair of the Executive Committee shall be the Chair of the Board of Directors. The Secretary of the Executive Committee shall be the Secretary of the Board of Directors. In the absence of the Secretary from any meeting of the Executive Committee, a temporary secretary shall be chosen and shall so record the proceedings of such meeting. The Executive Committee shall report its acts and proceedings to the Board of Directors at the next following regular meeting of the Board of Directors and at such other time or times as the Board of Directors shall request. The Executive Committee shall serve at the pleasure of the Board of Directors. The designation of an Executive Committee and the delegation thereto of authority shall not relieve any director of any responsibility imposed by law.

Section 13. Nominating Committee. There shall be appointed each year a Nominating Committee to serve for a term of one year. This committee shall consist of at least five (5) members and shall be responsible for recommending to the Board of Directors nominees for positions as officers, members of the Board of Directors, members of the Advisory Board of Directors and members of the Board of Trustees, not otherwise automatically members of these respective bodies. The Chair of the Nominating Committee shall be the most immediate past Chair of the Board of Directors available to serve. Other committee members shall be appointed by the Chair of the Board and may represent the Board of Directors, the Advisory Board of Directors, the Board of Trustees and the community-at-large. Committee members selected by the Chair are subject to approval by the Board of Directors. Nothing included in this provision shall prohibit the Board of Directors from exercising its authority to elect anyone without the advice of the Nominating Committee.

Section 14. Allocations & Distributions Committee. There shall be appointed each year by the Chair and approved by the Board of Directors an Allocations & Distributions Committee. This Committee shall consist of at least three (3) members, the majority of whom are members of the Board of Directors. This Committee shall be responsible for recommending to the Board of Directors all grant allocations and distributions made from any portion of the assets of The Community Foundation. Nothing included in this provision shall prohibit the Board of Directors from exercising its authority to make allocations and distributions without the advice of the Allocations & Distributions Committee.

Section 15. Investment & Finance Committee. There shall be appointed each year by the Chair and approved by the Board of Directors an Investment and Finance Committee. This Committee shall consist of at least three (3) members, the majority of whom are members of the Board of Directors. This Committee shall be responsible for overseeing the financial management of The Community Foundation and the investment of all Community Foundation assets. Nothing included in this provision shall prohibit the Board of Directors from exercising its authority to make financial and investment decisions without the advice of the Investment & Finance Committee.

Section 16. Audit Committee. There shall be appointed each year by the Chair and approved by the Board of Directors an Audit Committee. This Committee shall be chaired by the Treasurer of The Foundation and shall consist of no fewer than three (3) members all of whom shall be non-management members of the Board of Directors. In order to ensure financial expertise, Audit Committee membership shall overlap in whole or in part with that of the Investment and Finance Committee constituted in Section 15 above. The Audit Committee shall. meet at least twice annually to: a) hire an independent firm to conduct the annual audit of the books and records of The Foundation based upon its qualifications and independence; b) receive and review the report of the Independent Auditors together with its report on the adequacy of internal controls and other significant findings and recommendations as well as management's response thereto; c) assess the overall performance of the independent auditors; d) oversee the integrity of all of The Foundation's financial statements including the effectiveness of internal controls and procedures; e) oversee The Foundation's compliance with legal and regulatory requirements; f) review The Foundation's adherence to policy standards, including ethical standards, and its adherence to its guidelines for risk management; and g) review significant financial transactions, capital management, financial planning and performance. The Audit Committee will welcome confidential, anonymous submission by employees, or any other party, of information about concerns regarding questionable accounting or auditing matters; in so doing, both ensuring the integrity of The Foundation's internal controls and establishing and enforcing the ethical standards of The Foundation's staff and Board.

Section 17. Human Relations Committee. There shall be appointed each year by the Chair and approved by the Board of Directors a Human Relations (HR)/Personnel Committee. This Committee shall consist of at least three (3) members, the majority of whom are members of the Board of Directors and shall be chaired by the Chair of the Board of Directors. This Committee shall advise senior staff with regard to the personnel management of The Community Foundation including but not limited to the hiring, compensation and firing of employees.

Section 18. Other Committees. The Board of Directors may, by resolution adopted by majority vote of those directors present at a duly constituted meeting of the Board of Directors, designate one or more committees of the Board of Directors, other than the Executive Committee, the Allocations & Distributions Committee, the Investment & Finance Committee, and the Nominating Committee. Any such committee, to the extent and within limitations provided in such resolution, may exercise the authority of the Board of Directors, except that no such committee shall have any power denied to the Executive Committee.

ARTICLE V

OFFICERS

Section 1. General. The Corporation shall have a Chair of the Board, a Vice Chair of the Board, a Secretary, a Treasurer, and a President, all of whom shall be directors or trustees and shall be elected by the Board of Directors. The Board may also appoint such other officers as may, from time to time, be deemed advisable by the Board of Directors including not limited to a Chair-Elect. Any two (2) or more offices may be held by the same person, except the offices of President, Chair of the Board and Secretary. Each officer shall hold office for a term of one (1) year and may be reelected for an additional term of one (1) year. No officer, who is also a director, except for the President, may be re-elected to continue in the same office, upon expiration of such additional term of one (1) year, without the lapse of intervening time. The President and officers who are not on the Board of Directors may be elected for an unlimited number of additional terms. Each officer shall have the authority to perform the duties set forth in these Bylaws or, to the extent consistent with these Bylaws, the duties prescribed by the Boards of Directors or by direction of an officer authorized by the Board of Directors to prescribe the duties of other officers.

Section 2. Resignation. Any officer may resign at any time by delivering notice to the Corporation. Such a resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

Section 3. Removal. Any officer may be removed by the Board of Directors at any time with or without cause, but such removal shall not affect the contract rights, if any, of the person so removed. Appointment of an officer shall not of itself create contract rights.

Section 4. Vacancies. A vacancy in any office for any reason may at any time be filled for the unexpired portion of the term by the Board of Directors.

Section 5. Fidelity Bond and Salaries. The Board of Directors may require any officer, employee, or agent of the Corporation to give security for or to execute to the Corporation a bond in such sum, and with such surety or sureties as the Board of Directors may direct, conditioned upon the faithful performance of his duties to the Corporation, including responsibility for negligence and for the accounting for all property, funds, or securities of the Corporation which may come into his hands. The Board of Directors may authorize a salary to be paid to individual officers.

Section 6. Reliance Upon Information, Opinions, Reports, or Statements. To the full extent allowed by law, an officer of the Corporation shall, in the performance of his duties, be protected in relying in good faith upon information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by, (i) one or more officers or employees of the Corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or (ii) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

Section 7. Chair of the Board. The Chair of the Board shall exercise such powers and carry out such responsibilities as may be granted or authorized by the Board of Directors. The Chair of the Board shall see that all orders and resolutions of the Board of Directors are carried into effect, and when present, shall preside at all directors' meetings.

Section 8. Vice Chair of the Board. In the absence of the Chair of the Board or in the event of his inability or refusal to act, the Vice Chair of the Board may perform the duties of the Chair of the Board, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair of the Board. The Vice Chair of the Board shall perform such other duties and have such other powers as the Board of Directors or the Chair of the Board may from time to time prescribe.

Section 9. President. The President shall exercise general supervision over the management of the business and affairs of the Corporation and shall perform such other duties and have such other powers as the Board of Directors shall from time to time prescribe.

Section 10. Secretary and Assistant Secretaries. The Secretary shall, when possible, attend all meetings of the Board of Directors, and shall record or supervise the recording of all the proceedings of the Board of Directors, and the Executive Committee, if any, in a book to be kept for that purpose, which is to be the property of the Corporation, and shall perform like duties for committees of the Board of Directors when required. Except as otherwise provided in these Bylaws, he shall give, or cause to be given, pursuant to the provisions of these Bylaws, notice of all meetings of the Board of Directors, and he shall make certificates that the notice required by these Bylaws and the Tennessee Nonprofit Corporation Act, as amended, for such meetings has been given, and he shall file such certificates with the minutes of such meetings.

The Secretary shall also perform such other duties as are generally performed by a secretary of a Corporation and such duties as may be prescribed by the Board of Directors, the Chair of the Board, or the President. Any Assistant Secretary may, in the absence of the Secretary or in the event of his inability or refusal to act perform the duties of the Secretary, and when so acting shall have the powers and be subject to all restrictions upon the Secretary.

Section 11. Treasurer and Assistant Treasurers. The Treasurer shall have custody of the Corporation's funds, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as ordered by the Board of Directors or by an officer authorized by the Board to so order, taking proper vouchers for such disbursements, and shall render to the Chair, the President and the Board of Directors an account of all his transactions as Treasurer and of the financial conditions of the Corporation.

The Treasurer shall also perform such other duties as are generally performed by a treasurer of a corporation and such duties as may be prescribed by the Board of Directors or the Chair. Any Assistant Treasurer may, in the absence of the Treasurer or in the event of his/her inability or refusal to act, perform the duties of the Treasurer, and when so acting shall have all the powers and be subject to all restrictions upon the Treasurer.

Section 12. Chair-Elect. From time to time the Nominating Committee may decide to select a Chair-Elect. The role of the Chair-Elect will be to learn as much as possible about the operation of The Community Foundation prior to the beginning of his/her term as Chair. In that each officer shall hold office for a term of one (1) year and may be reelected for an additional term of one (1) year, the Chair-Elect would be poised to assume the Chairmanship at the conclusion of the current Chair's term. The Nominating Committee will determine on a case-by-case basis whether the Chair-Elect should be selected at the outset of the first one-year term of the Chair or at the outset of the second one-year term.

ARTICLE VI
BOARD OF TRUSTEES

The Board of Directors shall appoint a Board of Trustees to advise and participate with the Board of Directors. The number of the Board of Trustees shall not be less than three (3). The members of the Board of Trustees shall be notified of and may attend all meetings of the Board of Directors at which they will be entitled to have full participation, including vote. Membership on the Board of Trustees shall be composed of i) all past Chairs of the Board of Directors, who shall be members without election for a term of six (6) years and who shall be eligible for nomination and election for one additional term of six (6) years after expiration of the first six (6) year term, ii) all past Vice-Chairs of the Board of Directors who shall be members without election for a term of six (6) years and who shall be eligible for nomination and election for one additional term of six (6) years after expiration of the first six (6) year term, and iii) others who are elected by the Board of Directors for one (1) term of six (6) years. After completion of the elected terms of six (6) years respectively cited above, continued membership by election may occur only after a time lapse. Members of the Board of Trustees are expected to comply with the requirements related to Board Members' participation as determined by the Council on Foundation's National Accreditation Standards for Community Foundations.

ARTICLE VII
ADVISORY BOARD OF DIRECTORS

The Board of Directors may, in its discretion, elect members to an Advisory Board of Directors. The Advisory Board of Directors shall provide assistance and counsel to the Board of Directors and to The Community Foundation in its endeavors. Election to the Advisory Board of Directors shall be for one (1) term of three (3) years, with members eligible for reelection for only one (1) additional full term of three (3) years, without a time lapse. The Board of Directors, in selecting members for the Advisory Board of Directors shall keep in mind, among other things, geographic diversity within the middle portion of the State of Tennessee. The Board of Directors shall select a Chair and Secretary of the Advisory Board for one (1) term of one (1) year duration with eligibility for one (1) succeeding one (1) year term. These two (2) officers shall automatically be members of the Board of Directors while they serve as officers of the Advisory Board of Directors. The Advisory Board of Directors shall report on its activities to the Board of Directors at least annually.

ARTICLE VIII

DUTIES AS TO THE FUNDS OF THE CORPORATION

Section 1. Disbursements. Disbursements from the income or from the assets of the Corporation for uses and purposes consistent with the objectives and purposes of the Corporation as outlined in the Certificate of Incorporation and these bylaws shall be made on the order of the Board of Directors.

Section 2. Contributions. Any contribution to the Corporation through any means whatsoever shall not be complete until accepted by the Corporation through action of the Board of Directors, and the Board shall have full authority to reject or refuse to accept any contribution for any reason deemed adequate or sufficient to the Board, including but not limited to the specification of a use of, or a restriction on the use of, any contribution which conflicts with the purpose of the Corporation, its tax-exempt status, or its status as a public charity; provided, however, that acceptance of a contribution by the Board of Directors shall be deemed to be effective as of the time of its tender, unless acceptance is declared by the Board of Directors to be effective at a later time.

Section 3. Restricted Gifts/Variance Power. Notwithstanding any provision in these bylaws to the contrary, the Board of Directors shall at all times be governed in the expenditure of any fund or funds or other property by any terms of restriction or direction which may be contained in any instrument under which the said property may be received and accepted by the Corporation so long as said directions or restrictions are consistent with the donor's purpose in specifying them and are compatible with the Corporation's purposes, its tax-exempt status, and its status as a public charity. If at any time it shall appear to the Board that circumstances have so changed as to make unnecessary, undesirable, impractical or impossible a literal compliance with the expressed desire of a donor or testator, it may take such steps as it deems necessary to direct the application of any such funds to such other educational, charitable, literary or religious purposes of a public nature, or others of a similar nature recognized by the federal government as entitled to tax exemption, as in its judgment will to the extent possible carry out the purposes of such donor or testator.

Section 4. Authority. The Board may authorize an officer or agent of the corporation by resolution to enter into any contract or execute and deliver any instrument in the name of the corporation, and no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement, or to pledge its credit or to render it liable pecuniarily for any amount, without such authorization.

Section 5. Depositories. All funds of the Corporation shall be deposited to its credit in such depository or depositories as the Board may designate, and for the purpose of such deposits, any person or persons to whom such power is delegated by resolution of the Board may endorse, assign, and deposit checks, drafts and other orders for the payment of funds payable to the order of the corporation. All checks, drafts or other orders for the payment of money issued by the corporation shall be signed by such person or persons as may from time to time be designated by the Board.

ARTICLE IX

TYPES OF PHILANTHROPIC CHARITABLE FUNDS

Section 1. The Foundation's services shall include, without being limited to, the making available to current and prospective donors a variety of charitable funds. Understanding that different donors may wish to use the Foundation to achieve a wide variety of charitable, tax, and estate planning objectives, the Foundation shall make available at least the following basic types of charitable funds:

- UNRESTRICTED FUNDS to address the community's most pressing needs and promising opportunities as they change over time.
- FIELD OF INTEREST FUNDS to support a charitable cause named by the donor, such as meeting the needs of children or promoting the arts.
- SCHOLARSHIP FUNDS to provide access to education for deserving students; these students may be from a particular area or school, attend a particular school and/or pursue a particular field of study.
- DESIGNATED FUNDS to support specific charities named by the donor.
- AGENCY ENDOWMENTS to enable non-profit organizations to ensure their own future though the creation of a permanent "savings account" to support their operations or a particular program.
- DONOR-ADVISED FUNDS to allow donors and/or their designees to remain actively involved in recommending grants from their fund over time.

Funds can be created with a minimum gift of $5,000.00. The minimum for Scholarship Funds is $10,000.00.

ARTICLE X

FISCAL YEAR

The fiscal year of the Corporation shall be fixed by the Board of Directors from time to time, subject to applicable law.

ARTICLE XI

CORPORATE SEAL

The corporate seal, if any, shall be in such form as shall be approved from time to time by the Board of Directors.

ARTICLE XII

AMENDMENTS

These Bylaws may be amended by the Board of Directors upon the affirmative vote of a majority of the directors in office at the time the amendment is adopted.

ARTICLE XIII

INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS

Section 1. General. The Corporation shall have the power to indemnify any person authorized by the Tennessee Nonprofit Corporation Act, as the same may be amended from time to time, in the manner prescribed therein, to the full extent allowed thereby.

Section 2. Indemnification Not Exclusive. To the extent permitted by the Tennessee Nonprofit Corporation Act, as amended, the rights of indemnification provided in this Article XI shall be in addition to any rights to which any such director, officer, employee, or other person may otherwise be entitled by contract or as a matter of law.

Section 3. Insurance. The Corporation shall have the power by action of the Board of Directors to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation; is or was serving at the request of the Corporation as a corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise against any liability asserted against him or incurred by him in any such capacity or arising out of his status as a director, officer, employee, or agent, whether or not the Corporation would have the power to indemnify him against such liability.

ARTICLE XIV

CORPORATION RECORDS

The Corporation shall keep, as permanent records, minutes of all meetings of the Board of Directors, a record of all actions taken by the Board without a meeting, and a record of all actions taken by any committee of the Board in place of Board action. The Corporation also shall maintain appropriate accounting records.

The Corporation shall keep a copy of the following records at its principal office: (i) the charter or restated charter and all amendments currently in effect; (ii) these by-laws; (iii) a list of the names and business or home addresses of its current directors and officers; and (iv) its most recent annual report delivered to the Secretary of State.

ARTICLE XV

INVALIDITY

In the event any provision of these Bylaws is found invalid under the laws of the State of Tennessee or other competent jurisdiction, the invalid provision or provisions shall be deemed to be altered in such manner as is necessary to conform to the prevailing law. Notwithstanding such alternations, as may be necessary, all other provisions of these Bylaws shall remain in effect as written.

Amended 4/11/07

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Department of Finance
700 President Ronald Reagan Way, STE 201
Nashville, Tennessee 37210

Metropolitan Government of Nashville and Davidson County
Recipient of Metro Grant Funding
Non-Profit Grants Manual Receipt Acknowledgement

Community Foundation of Middle Tennessee

April 30, 2026

As a condition of receipt of this funding, the recipient acknowledges the following:

- Receipt of the Non-Profit Grants Manual, updated February 2, 2023, issued by the Division of Grants and Accountability. Electronic version can be located at the following:

  www.nashville.gov/departments/finance/grants-and-accountability/grants

- The recipient has read, understands and hereby affirms that the agency will adhere to the requirements and expectations outlined within the Non-Profit Grants Manual.

- The recipient understands that if the organization has any questions regarding the Non-Profit Grants Manual or its content, they will consult with the Metro department that awarded their grant.

**Note to Organizations: Please read the Non-Profits Grants Manual carefully to ensure that you understand the requirements and expectations before signing this document.*

Hal Cato

Signature of Authorized Representative
Name: Hal Cato
Title: CEO
Agency Name: Community Foundation of Middle Tennessee
Date: 4/30/26

THE COMMUNITY FOUNDATION OF MIDDLE TENNESSEE, INC., SUPPORTING ORGANIZATION, AND SUBSIDIARIES
(A TENNESSEE NOT-FOR-PROFIT CORPORATION)

NASHVILLE, TENNESSEE

CONSOLIDATED FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2024 AND 2023

THE COMMUNITY FOUNDATION OF MIDDLE TENNESSEE, INC., SUPPORTING ORGANIZATION, AND SUBSIDIARIES
(A TENNESSEE NOT-FOR-PROFIT CORPORATION)

NASHVILLE, TENNESSEE

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2024 AND 2023

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KraftCPAs PLLC

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Board of Trustees
The Community Foundation of Middle Tennessee, Inc., Supporting Organization, and Subsidiaries
Nashville, Tennessee

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of The Community Foundation of Middle Tennessee, Inc., Supporting Organization, and Subsidiaries (collectively, the "Foundation"), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in the *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 Consolidated Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

NASHVILLE
615-242-7351
555 Great Circle Road
Nashville, TN 37228

CHATTANOOGA
423-894-7400
6136 Shallowford Road, Suite 101
Chattanooga, TN 37421

COLUMBIA
931-388-3711
610 North Garden Street, Suite 200
Columbia, TN 38401

LEBANON
615-449-2334
105 Bay Court
Lebanon, TN 37087

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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, internal 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 consolidated financial statements.

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

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

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT July 31, 2025, our consideration of the Foundation'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 the Foundation's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

KraftCPAs PLLC

Nashville, Tennessee
July 31, 2025

THE COMMUNITY FOUNDATION OF MIDDLE TENNESSEE, INC.,
SUPPORTING ORGANIZATION, AND SUBSIDIARIES
(A TENNESSEE NOT-FOR-PROFIT CORPORATION)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Cash	$ 57,066,461	$ 48,948,721
Other receivables	1,230,194	484,992
Investments	715,172,956	549,013,169
Beneficial interest in lead trusts	59,298,129	65,941,846
Property available for sale	1,103,008	1,103,008
Property and equipment - at cost, less accumulated depreciation	17,211,076	17,518,063
TOTAL ASSETS	$ 851,081,824	$ 683,009,799
LIABILITIES		
Accounts payable and accrued expenses	$ 531,648	$ 252,342
Grants payable	154,921	-
Line of credit	-	65,055
Note payable, net	6,731,234	7,500,000
Agency funds liability	21,028,053	15,871,806
TOTAL LIABILITIES	28,445,856	23,689,203
NET ASSETS		
Without donor restrictions:		
Board-directed	29,028,619	27,922,056
Field-of-interest	123,025,636	103,562,992
Designated	47,075,901	40,977,459
Scholarship	25,228,562	22,705,673
Donor-advised	517,226,727	396,053,709
Supporting organization, undesignated	19,490,730	-
Total net assets without donor restrictions	761,076,175	591,221,889
With donor restrictions:		
Charitable lead trusts	59,298,129	65,941,846
Certain bequests	2,261,664	2,156,861
Total net assets with donor restrictions	61,559,793	68,098,707
TOTAL NET ASSETS	822,635,968	659,320,596
TOTAL LIABILITIES AND NET ASSETS	$ 851,081,824	$ 683,009,799

See accompanying notes to consolidated financial statements.

THE COMMUNITY FOUNDATION OF MIDDLE TENNESSEE, INC., SUPPORTING ORGANIZATION, AND SUBSIDIARIES
(A TENNESSEE NOT-FOR-PROFIT CORPORATION)

CONSOLIDATED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE						
Contributions of financial assets	$ 182,719,376	$ -	$ 182,719,376	$ 136,568,254	$ -	$ 136,568,254
Contributions of nonfinancial assets	1,075,000	-	1,075,000	15,000	-	15,000
Government grants	32,419,376	-	32,419,376	11,120,153	-	11,120,153
Fundraising events	1,957,435	-	1,957,435	2,860,100	-	2,860,100
Less: direct benefits to donors	(473,524)	-	(473,524)	(649,231)	-	(649,231)
Investment income, net	56,410,540	242,865	56,653,405	52,193,907	248,255	52,442,162
Change in value of beneficial interest in lead trusts	-	(705,712)	(705,712)	-	4,279,423	4,279,423
Other	33,109	-	33,109	282,901	-	282,901
Net assets released resulting from satisfaction of donor restrictions	6,076,067	(6,076,067)	-	6,427,077	(6,427,077)	-
TOTAL SUPPORT AND REVENUE	280,217,379	(6,538,914)	273,678,465	208,818,161	(1,899,399)	206,918,762
EXPENSES						
Program services	101,689,529	-	101,689,529	80,976,496	-	80,976,496
Supporting services:						
Management and general	6,420,690	-	6,420,690	2,317,144	-	2,317,144
Fundraising	2,252,874	-	2,252,874	4,056,872	-	4,056,872
TOTAL EXPENSES	110,363,093	-	110,363,093	87,350,512	-	87,350,512
CHANGE IN NET ASSETS	169,854,286	(6,538,914)	163,315,372	121,467,649	(1,899,399)	119,568,250
NET ASSETS:						
Beginning of year	591,221,889	68,098,707	659,320,596	469,754,240	69,998,106	539,752,346
End of year	$ 761,076,175	$ 61,559,793	$ 822,635,968	$ 591,221,889	$ 68,098,707	$ 659,320,596

See accompanying notes to consolidated financial statements.

THE COMMUNITY FOUNDATION OF MIDDLE TENNESSEE, INC., SUPPORTING ORGANIZATION, AND SUBSIDIARIES
(A TENNESSEE NOT-FOR-PROFIT CORPORATION)

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024				2023			
		SUPPORTING SERVICES				SUPPORTING SERVICES		
	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL FUNCTIONAL EXPENSES	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL FUNCTIONAL EXPENSES
Grants	$ 99,098,724	$ -	$ -	$ 99,098,724	$ 77,784,266	$ -	$ -	$ 77,784,266
Compensation	901,088	2,233,130	783,554	3,917,772	1,433,967	882,441	1,360,430	3,676,838
Other employee benefits	146,670	363,486	127,539	637,695	226,608	139,451	214,987	581,046
Payroll taxes	66,462	164,711	57,793	288,966	105,600	64,985	100,185	270,770
Events and meetings	218,263	540,913	189,794	948,970	-	11,214	1,110,173	1,121,387
Professional fees	703,093	1,742,449	611,386	3,056,928	413,612	401,447	401,447	1,216,506
Marketing	81,969	203,142	71,278	356,389	254,845	247,350	247,350	749,545
Office expenses	55,042	136,407	47,862	239,311	70,508	68,434	68,434	207,376
Information technology	99,706	247,097	86,701	433,504	185,428	179,974	179,974	545,376
Bank and credit card fees	76,648	189,953	66,650	333,251	52,910	51,355	51,355	155,620
Professional development	21,303	52,793	18,524	92,620	35,307	7,846	35,307	78,460
Insurance coverage	13,427	33,275	11,675	58,377	32,622	31,663	31,663	95,948
Depreciation	81,126	201,052	70,545	352,723	88,013	85,423	85,423	258,859
Membership and subscriptions	24,333	60,303	21,159	105,795	25,421	24,674	24,674	74,769
Building expenses and maintenance	43,349	107,430	37,695	188,474	118,573	60,405	44,744	223,722
Business and auction sales taxes	12,719	31,521	11,060	55,300	-	-	1,871	1,871
Gift cards and gifts	6,976	17,289	6,066	30,331	8,855	984	39,357	49,196
Interest expense	38,631	95,739	33,593	167,963	61,301	59,498	59,498	180,297
Indirect expenses	-	-	-	-	78,660	-	-	78,660
Fundraising events:								
Food and beverages	-	-	332,639	332,639	-	-	300,541	300,541
Venue rental	-	-	124,819	124,819	-	-	261,895	261,895
Entertainment	-	-	16,066	16,066	-	-	86,795	86,795
TOTAL FUNCTIONAL EXPENSES	$ 101,689,529	$ 6,420,690	$ 2,726,398	$ 110,836,617	$ 80,976,496	$ 2,317,144	$ 4,706,103	$ 87,999,743
Less expenses netted against revenues on the consolidated statements of activities - direct benefits to donors	-	-	(473,524)	(473,524)	-	-	(649,231)	(649,231)
TOTAL EXPENSES REPORTED UNDER PROGRAM AND SUPPORTING SERVICES	$ 101,689,529	$ 6,420,690	$ 2,252,874	$ 110,363,093	$ 80,976,496	$ 2,317,144	$ 4,056,872	$ 87,350,512

See accompanying notes to consolidated financial statements.

THE COMMUNITY FOUNDATION OF MIDDLE TENNESSEE, INC.,
SUPPORTING ORGANIZATION, AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
OPERATING ACTIVITIES		
Change in net assets	$ 163,315,372	$ 119,568,250
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	352,723	258,859
Amortization of debt issuance costs	10,400	-
Noncash contributions of investments	(110,565,022)	(22,856,556)
Net realized and unrealized gain on investments	(48,250,839)	(88,093,830)
Change in value of beneficial interest in lead trusts	705,712	(4,279,423)
Distributions received from lead trusts	5,938,005	6,265,747
Decrease (increase) in:		
Other receivables	(745,202)	(81,961)
Increase (decrease) in:		
Accounts payable and accrued expenses	279,306	(923,682)
Grants payable	154,921	(460,815)
Deferred revenue	-	(28,371)
Agency funds liability	5,156,247	1,703,400
TOTAL ADJUSTMENTS	(146,963,749)	(108,496,632)
NET CASH PROVIDED BY OPERATING ACTIVITIES	16,351,623	11,071,618
INVESTING ACTIVITIES		
Purchases of property and equipment	(45,736)	(1,341,365)
Proceeds from sale of investments	297,422,782	206,880,556
Purchase of investments	(304,766,708)	(210,218,155)
NET CASH (USED IN) INVESTING ACTIVITIES	(7,389,662)	(4,678,964)
FINANCING ACTIVITIES		
Change in line of credit	(65,055)	65,055
Payments on note payable	(311,203)	-
Payments of debt issuance costs	(467,963)	-
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	(844,221)	65,055
INCREASE IN CASH	8,117,740	6,457,709
CASH - BEGINNING OF YEAR	48,948,721	42,491,012
CASH - END OF YEAR	$ 57,066,461	$ 48,948,721
CASH PAID FOR		
Interest	$ 157,563	$ 180,298

See accompanying notes to consolidated financial statements.

NOTE 1 - ORGANIZATION AND GENERAL

The Community Foundation of Middle Tennessee, Inc., Supporting Organization, and Subsidiaries (collectively, the "Foundation") is a charitable organization whose purpose is to be a leader, catalyst and resource for philanthropy by building and holding a permanent and growing endowment for the Middle Tennessee community's changing needs and opportunities. The Foundation provides flexible and cost-effective ways for civic-minded individuals, families and companies to contribute to their community. The assets of the Foundation are devoted to charitable uses of a public nature primarily benefiting the residents of Middle Tennessee in fields such as social services, education, health, the environment and the arts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements include the accounts of The Nashville Catalyst Fund, a supporting organization formed as a Tennessee non-profit public benefit corporation on April 8, 2024 (the "Supporting Organization"). The Supporting Organization offers flexible financing for the development and preservation of affordable housing within Nashville and Davidson County. The Foundation has both an economic interest in the Supporting Organization and control of the Supporting Organization through the appointment of a majority of the governing board members, or voting controls of the governing board. This provides the basis for consolidations of the Supporting Organization's financial statements. All inter-organizational transactions and accounts have been eliminated upon consolidation.

The consolidated financial statements also include the accounts of The Community Foundations of Middle Tennessee Properties, Nonprofit LLC, a single-member limited liability company formed to hold real estate donated to the Foundation and Childcare Tennessee, Nonprofit LLC, a single-member limited liability company formed to ensure the accessibility and sustainability of quality childcare programs serving the children and families of Tennessee. Both are subsidiaries of The Community Foundation of Middle Tennessee, Inc. All inter-organizational transactions and accounts have been eliminated upon consolidation.

The consolidated financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

The Foundation reports information regarding its financial position and activities according to the following net asset classifications.

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. These net assets may be used at the discretion of the Foundation's management and the Board of Directors and Board of Trustees.

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 Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Generally, contributions made to the Foundation are recorded as contributions without donor restrictions. The Bylaws of the Foundation include a variance power providing the Board of Directors the power to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to specified organization if in the sole judgment of the Board of Directors such restriction or conditions becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community.

Notwithstanding the classification as net assets without donor restrictions, the Foundation consistently follows the policy of respecting donor's grant-making preferences.

The Foundation classifies net assets without donor restrictions in the accompanying consolidated financial statements into the following charitable funds, which reflect the intentions of the donors making the gifts:

Board-Directed - The Board of Directors and Board of Trustees are responsible for approving distributions of income and, where permitted, principal, solely for those charitable purposes established by the Foundation.

Field-of-Interest - The donor may designate a functional area or field of interest, within which specific projects or beneficiaries are selected by the Foundation's Board.

Designated - Represents funds given by a donor who is committed to a specific charitable organization(s). The Foundation gives the donor assurance that the spirit of the gift is protected, and the assets given are prudently managed.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (continued)

Scholarship - Scholarships or loans can be provided so that deserving young people can get an education they might not otherwise receive. Through these funds the donor can, for example, specify the schools the young people are to come from or the ones they are to attend.

Donor-Advised - The donor has the privilege of making recommendations relating to distributions. Such recommendations are taken into consideration by the Board when grants are decided upon but are advisory only and non-binding.

The Foundation classifies net assets with donor restrictions as follows in the accompanying consolidated financial statements:

Charitable Lead Trusts - Donors establish and fund a trust with specific distributions to be made to the Foundation over a specified period based on the provisions outlined in the trust agreements. Upon termination of a trust, the remainder of the trust assets is paid to the donor or to beneficiaries designated by the donor.

Certain Bequests - Donors stipulate that the principal is to be invested in perpetuity by the Foundation. Income from the invested funds may be restricted to a specific field of interest and, therefore, is classified as net assets with donor restrictions until applicable restrictions are met.

Contributions and Support

Contributions are recognized when cash, securities or other assets, an unconditional promise to give or notification of a beneficial interest is received. A contribution is conditional if an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets exists. The presence of both a barrier and a right of return or right of release indicates that a recipient is not entitled to the contribution until it has overcome the barrier(s) in the agreement. Conditional promises to give are not recognized until the barrier(s) in the agreement are overcome.

Donated marketable securities are recorded at their fair value at the date of contribution based on their quoted market price.

Any gifts of equipment, facilities or materials are reported as net assets without donor restrictions unless explicit donor restrictions specify how the assets must be used. Gifts of long-lived assets with explicit restrictions as to how the assets are to be used or funds restricted for the acquisition of long-lived assets are reported as net assets with donor restrictions. Expirations of donor restrictions are recognized when the donated or acquired long-lived assets are placed in service.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Support (continued)

Grants awarded by federal, state and other sponsors are generally considered nonreciprocal transactions restricted by sponsors for certain purposes. Grant revenue is recognized when the conditions upon which it depends are substantially met, which primarily is when qualifying expenses occur. Payments received in advance of conditions being met are recorded as deferred revenue on the consolidated statements of financial position.

Fundraising event revenues are generated from sponsorships, ticket sales, donations, silent and online auction proceeds and sales of items at events held during the year and revenues are recognized when the events occur, which is the completion of the Foundation's performance obligation. Some of these revenues are comprised of an exchange element based on the value of benefits provided, and a contribution element for the difference between the amount paid and the exchange element.

Contributions of Nonfinancial Assets

Donated facilities and materials are recorded as gifts in the period received at fair value if there is an objective and measurable basis for determining such value.

Donated services are recognized if they create or enhance nonfinancial assets or the donated service requires specialized skills, were performed by a donor who possesses such skills, and would have been purchased by the Foundation if not donated. Such services are recognized at fair value as support and expense in the period the services are performed and primarily include professional services.

A number of unpaid volunteers have made significant contributions of their time to assist the Foundation in implementing various programs. The value of contributed time is not reflected in these statements since it is not susceptible to objective measurement or valuation.

Investments

Investments are carried at fair value (money market funds and other short-term investments, corporate bonds, equities, government securities, and mutual funds - generally at quoted market prices; investment partnership interests, private equity funds and hedge funds - based on net asset value). Investments in property without a readily determinable fair value are carried at cost. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are recognized currently in the consolidated statements of activities as investment income.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Lead Trusts

A charitable lead trust is an arrangement in which a donor establishes and funds a trust that provides for specific distributions to be made to the Foundation over a specified period. When a gift of this nature is received and the Foundation is not the trustee, a donor-restricted contribution is recognized in the period in which the trust is established. The contribution and related beneficial interest are measured at the present value of the expected future cash inflows, using the interest rate for U.S. Treasury bonds of similar terms at the time the trust is established as the discount rate. The discount rate is revised at each measurement date to reflect current market conditions. Distributions from the trust are reflected as a reduction in the beneficial interest and a reclassification from net assets with donor restrictions to net assets without donor restrictions. Accretion of the discount and revaluations of expected future cash flows based on changes in investment returns and discount rates used are recognized on the consolidated statement of cash flows as adjustments to the beneficial interest in lead trusts and changes in the value of beneficial interest in lead trusts in the consolidated statements of activities under net assets with donor restrictions.

Property and Equipment

Property and equipment are stated at acquisition cost, or at estimated fair value at date of gift, if donated, less accumulated depreciation. The Foundation's policy is to capitalize purchases with a cost of $10,000 or more and an estimated useful life greater than one year. Depreciation is computed on the straight-line method over the estimated useful lives of the assets (building - 39 years; furniture, fixtures and equipment - 5 to 7 years). When depreciable assets are sold, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss is recognized.

When property and equipment is classified as available for sale, depreciation and amortization are no longer recorded and the property and equipment is reported at the lower of its carrying value or fair value less cost to sell.

Grants Payable

Unconditional promises to give are recognized as grants payable and expenses in the period the grant award is approved by the Foundation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Agency Funds Liability

The Foundation maintains certain funds to benefit other nonprofit agencies. Such funds are pooled with other funds for investment. A pro-rata share of the investment income or loss and a fee retained by the Foundation are debited or credited to each agency fund each year.

Fair Value Measurements

The Foundation classifies its assets and liabilities measured at fair value based on a hierarchy consisting of: Level 1 (valued using quoted prices from active markets for identical assets), Level 2 (not traded on an active market but for which observable market inputs are readily available) and Level 3 (valued based on significant unobservable inputs).

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

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

Money market funds, short-term investments and equities - These investments are valued at the closing price reported on the active market on which the individual funds are traded.

Corporate bonds, government securities and certain international bond and mutual funds - Securities for which quotations are readily available in active markets are valued at the most recent quote in the principal market in which such securities are normally traded. These investments also include securities valued on the basis of information provided by pricing services that employ valuation models reflecting such factors as benchmark yields, reported trades, broker/dealer quotes, bid/offer data and other relevant elements.

Mutual funds (excluding certain international bond and mutual funds included in level 2 valuation hierarchy) - Investments in these funds are valued using the net asset value per unit as quoted in active markets at the valuation date.

Partnership interests and private equity funds - These investments are valued at the Foundation's capital account balance as reported by the fund's general partner. The capital account balance represents the net asset value of the Foundation's share in the fund, which approximates fair value.

Hedge funds - Hedge funds are reported at the net asset value (or its equivalent) of the Foundation's share in the fund as calculated in the fund's audited financial statements, which approximates fair value.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (continued)

Beneficial interest in lead trusts - The measurement of the Foundation's beneficial interest in charitable lead trusts was determined at the date of the gift and is adjusted annually for the change in present value of the estimated future cash flows. The valuation is based on the term of the trust or the actuarial life expectancy of the donor.

Agency funds liability - The value of the agency funds liability is determined based on the fair value of underlying investments held by the Foundation on behalf of participating agencies.

There have been no changes in the methodologies used at December 31, 2024 and 2023.

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

Debt Issuance Costs

Debt issuance costs are capitalized and amortized on a straight-line basis, which approximates the effective interest method, in an apportioned amount based upon the terms of the related debt facility. During 2024, the Supporting Organization capitalized $467,963 in debt issuance costs related to the obtaining of available credit lines. Amortization of the debt issuance costs is reported in the interest expense on the statement of functional expenses and amounted to $10,400 for the year ended December 31, 2024. Unamortized debt issuance costs were $457,963 at December 31, 2024. Annual amortization expense is expected to be $170,744 in 2025, $142,552 in 2026, $134,115 in 2027, $2,575 in 2028 and 2029 and $5,002 thereafter.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and Supporting Services

The following program and supporting services are included in the accompanying consolidated financial statements:

Program Services - includes grants and the cost of activities carried out to fulfill the Foundation's mission to provide support to nonprofit organizations.

Supporting Services

Management and General - relates to the overall direction of the Foundation. These expenses are not identifiable with a particular program or event or with fundraising but are indispensable to the conduct of those activities and are essential to the organization. Specific activities include organization oversight, business management, recordkeeping, budgeting, financing and other administrative activities.

Fundraising - includes costs of activities directed toward appeals for financial support, including special events. Other activities include creation and distribution of fundraising materials.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses allocated based on estimates of time and effort include compensation, other employee benefits, payroll taxes, events and meetings, professional fees, marketing, office expenses, information technology, bank and credit card fees, professional development, insurance coverage, membership and subscriptions, business and auction sales taxes, and gift cards and gifts. Building expenses and maintenance and depreciation are allocated based on a square-footage basis.

Income Taxes

The Foundation qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). The Foundation pays tax on unrelated business income from certain activities. These activities and the related tax were insignificant in 2024 and 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (continued)

The Foundation files U.S. Federal Form 990 for organizations exempt from income tax and Form 990-T, an exempt organization business income tax return. The Community Foundation of Middle Tennessee Properties, Nonprofit LLC and Childcare Tennessee, Nonprofit LLC are disregarded entities for tax purposes and any activities of the subsidiaries are included in the Form 990 filed by the Foundation. In addition, the Foundation files a Tennessee state income tax return.

The Nashville Catalyst Fund is classified as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the IRC. It is recognized under the IRC as a supporting organization of The Community Foundation of Middle Tennessee, Inc. The Nashville Catalyst Fund files a U.S. Federal Form 990 for organizations exempt from income tax.

Management performs an evaluation of all income tax positions taken or expected to be taken in the course of preparing the Foundation’s income tax returns to determine whether the income tax positions meet a “more likely than not” standard of being sustained under examination by the applicable taxing authorities. Management has performed its evaluation of all income tax positions taken on all open income tax returns and has determined that there were no positions taken that do not meet the “more likely than not” standard. Accordingly, there are no provisions for income taxes, penalties or interest receivable or payable relating to uncertain income tax positions in the accompanying consolidated financial statements.

Use of Estimates in the Preparation of Consolidated Financial Statements

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Events Occurring After Reporting Date

The Foundation has evaluated events and transactions that occurred between December 31, 2024 and July 31, 2025, the date the consolidated financial statements were available to be issued, for possible recognition or disclosure in the consolidated financial statements.

NOTE 3 - AVAILABILITY AND LIQUIDITY

The following represents the Foundation's financial assets available for general expenditures at December 31:

	2024	2023
Financial assets at year end:		
Cash	$ 57,066,461	$ 48,948,721
Other receivables	1,230,194	484,992
Investments	715,172,956	549,013,169
Total financial assets	773,469,611	598,446,882
Less amounts not available to be used for general expenditures within one year:		
Agency funds liability	(21,028,053)	(15,871,806)
Assets limited to use:		
Field-of-interest	(123,025,636)	(103,562,992)
Designated	(47,075,901)	(40,977,459)
Scholarship	(25,228,562)	(22,705,673)
Donor-advised	(517,226,727)	(396,053,709)
Certain bequests	(2,261,664)	(2,156,861)
Financial assets not available to be used for general expenditures within one year	(735,846,543)	(581,328,500)
Financial assets available to meet general expenditures over the next twelve months	$ 37,623,068	$ 17,118,382

Included in amounts restricted by donor with time or purpose restrictions are the Foundation's bequests. Income from the donor-restricted bequests is subject to an annual spending rate of approximately 5% as described in Note 11. Donor-restricted bequests are not available for general expenditure.

General expenditures do not include amounts to be given as grants.

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Surplus cash from the prior year is invested in a reserve account.

NOTE 4 - CONCENTRATIONS OF CREDIT RISK

The Foundation maintains cash balances at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to statutory limits. The Foundation’s cash balances generally exceed statutory limits. The Foundation has not experienced any losses in such accounts and management considers this to be a normal business risk.

The Foundation also maintains investment balances at various brokerage and investment companies. These investments consist of money market funds and other short-term investments, equites, various mutual funds, stocks, bonds and alternative investments. Generally, they are not insured by the FDIC or any other government agency and are subject to investment risk, including the risk of loss of principal. Investors are provided limited protection by the Securities Investor Protection Corporation (“SIPC”), a nonprofit membership corporation funded by its member securities broker dealers. SIPC covers investor losses, in some cases, attributable to bankruptcy or fraudulent practices of brokerage firms up to $500,000 per broker (including $250,000 of cash).

NOTE 5 - INVESTMENTS

Foundation investments are generally pooled. Segregated accounts are created at the Foundation’s discretion, generally at the request of the donor or due to the nature of the gift.

Investments consisted of the following as of December 31:

	2024	2023
Investments at fair value		
Money market funds and other short-term investments	$ 107,365,390	$ 43,299,497
Corporate bonds	50,779,753	53,363,261
Equities securities	192,350,725	130,633,370
Government securities	21,761,858	3,379,548
Mutual funds	139,861,405	128,316,396
Alternative investments	201,033,832	189,076,104
	713,152,963	548,068,176
Investments at cost		
Property	2,019,993	944,993
	$ 715,172,956	$ 549,013,169

NOTE 6 - CHARITABLE LEAD TRUSTS

The Foundation is named beneficiary of various irrevocable charitable lead trusts. The Foundation is not the trustee and does not exercise control over the trusts' assets; therefore, the Foundation recognizes a receivable for its beneficial interest in those assets in the period the trust is created, with a corresponding credit to contributions with donor restrictions, based on the present value of the expected future cash inflows. The trust instruments provide for distributions to be made to the Foundation in amounts ranging from four to twenty-one percent of the trust assets each year for periods of two years or more. Total cash distributions received by the Foundation from these trusts amounted to $5,938,005 and $6,265,747 for the years ended December 31, 2024 and 2023, respectively.

NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

	2024	2023
Land	$ 6,917,030	$ 6,917,030
Building	9,987,763	9,987,763
Furniture, fixtures and equipment	1,026,610	980,874
	17,931,403	17,885,667
Less accumulated depreciation	(720,327)	(367,604)
	$ 17,211,076	$ 17,518,063

Depreciation expense recognized on property and equipment amounted to $352,723 and $258,859 for the years ended December 31, 2024 and 2023, respectively.

During 2023, the Foundation made available for sale its former office building. It is presented on the consolidated statements of financial position as property available for sale, valued at the lower of the carrying value or fair value less cost in the amount of $1,103,008 at December 31, 2024.

NOTE 8 - EMPLOYEE BENEFIT PLAN

The Foundation has a 403(b) Plan covering eligible employees age 21 years or older who have been employed by the Foundation for at least one year and have worked more than 20 hours a week or are reasonably expected to work 1,000 hours of service during the year. The Foundation contributed approximately $81,000 and $94,000 to the plan during 2024 and 2023, respectively.

NOTE 9 - AVAILABLE CREDIT LINES AND NOTE PAYABLE

On December 9, 2024, the Supporting Organization entered into a Revolving Credit Agreement ("Senior Facility") with six financial institution lenders. The facility provides up to $48,000,000 in revolving borrowings through December 9, 2027 (the "origination termination date"). The lenders have no obligations to make loans on or after the origination termination date. Borrowings under the agreement bear interest at a variable rate equal to the secured overnight financing rate for a one-month tenor ("SOFR") (with a floor of 0.00%) plus 2.50%. Interest payments are due quarterly. The facility is secured by the assets of the Supporting Organization, including a first lien on program-related loans. The Senior Facility matures on December 9, 2031. As of December 31, 2024, the full amount remained available and undrawn.

On December 9, 2024, the Supporting Organization also entered into mezzanine loan agreements with three companies ("Mezzanine Lenders"). The Mezzanine Lenders have provided a combined total of $8,000,000 of loans that are unsecured, subordinated to the Senior Facility and governed by a Subordination and Intercreditor Agreement dated December 9, 2024. The Supporting Organization may request draws on the mezzanine loans at any time during the 24-month credit period, which can be extended an additional 12 months. The principal balance of the loan accrues interest at the fixed rate of 2.00% per annum and the mezzanine loans mature on December 9, 2031. There were no outstanding draws under the mezzanine loans at December 31, 2024.

The Supporting Organization incurred debt issuance costs related to these available credit lines totaling $467,963 which is reported as a contra liability in accordance with GAAP.

The Foundation had a $2,000,000 non-revolving line of credit facility that expired in February 2024. The line of credit bore interest at the Bloomberg Short-Term Bank Yield Daily Floating Rate plus 0.4%. Outstanding borrowings under the line of credit were $65,055 as of December 31, 2023. The Foundation paid off the line of credit during 2024.

NOTE 9 - AVAILABLE CREDIT LINES AND NOTE PAYABLE (CONTINUED)

Note payable consists of the following at December 31:

	2024	2023
Term note payable to a bank with the original principal balance of $7,500,000 in March 2022, that bears interest at a fixed rate of 2.19%. The term note payable was due in interest-only payments through March 2024. Commencing March 2024, the note payable is due in monthly principal installments of $31,250 until March 2032 when the remaining principal balance is due in full.	$ 7,188,797	$ 7,500,000
	7,188,797	7,500,000
Less unamortized debt issuance costs	(457,963)	-
	$ 6,730,834	$ 7,500,000

Future principal maturities of the term not payable are as follows:

Year Ending December 31,	
2025	$ 375,000
2026	375,000
2027	375,000
2028	375,000
2029	375,000
Thereafter	5,313,797
	$ 7,188,797

THE COMMUNITY FOUNDATION OF MIDDLE TENNESSEE, INC., SUPPORTING ORGANIZATION, AND SUBSIDIARIES
(A TENNESSEE NOT-FOR-PROFIT CORPORATION)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2024 AND 2023

NOTE 10 - FAIR VALUE MEASUREMENTS

The following table sets forth the Foundation's major categories of assets and liabilities measured at fair value on a recurring basis, by level within the fair value hierarchy, as of December 31:

2024	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Financial Assets:				
Investments:				
Money market funds and other short-term investments	$ 107,365,390	$ 107,365,390	$ -	$ -
Corporate bonds	50,779,753	-	50,779,753	-
Equity securities	192,350,725	192,350,725	-	-
Government securities	21,761,858	-	21,761,858	-
Mutual funds	139,861,405	112,481,505	27,379,900	-
Total investments in the fair value hierarchy	512,119,131	412,197,620	99,921,511	-
Partnership interests	76,634,532			
Private equity	4,030,600			
Hedge funds	120,368,700			
Total investments measured at net asset value (a)	201,033,832			
Total investments at fair value	713,152,963	412,197,620	99,921,511	-
Beneficial interest in lead trusts	59,298,129	-	59,298,129	-
Total Financial Assets	$ 772,451,092	$ 412,197,620	$ 159,219,640	$ -
Financial Liabilities:				
Agency funds liability	$ (21,028,053)	$ -	$ (21,028,053)	$ -

NOTE 10 - FAIR VALUE MEASUREMENTS (CONTINUED)

2023	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Financial Assets:				
Investments:				
Money market funds and other short-term investments	$ 43,299,497	$ 43,299,497	$ -	$ -
Corporate bonds	53,363,261	-	53,363,261	-
Equity securities	130,633,370	130,633,370	-	-
Government securities	3,379,548	-	3,379,548	-
Mutual funds	128,316,396	86,469,011	41,847,385	-
Total investments in the fair value hierarchy	358,992,072	260,401,878	98,590,194	-
Partnership interests	77,053,141			
Private equity	9,561,749			
Hedge funds	102,461,214			
Total investments measured at net asset value (a)	189,076,104			
Total investments at fair value	548,068,176	260,401,878	98,590,194	-
Beneficial interest in lead trusts	65,941,846	-	65,941,846	-
Total Financial Assets	$ 614,010,022	$ 260,401,878	$ 164,532,040	$ -
Financial Liabilities:				
Agency funds liability	$ (15,871,806)	$ -	$ (15,871,806)	$ -

(a) In accordance with Accounting Standards Codification Subtopic 820-10, certain investments that were measured at fair value using the net asset value per share (or the equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the investments at fair value presented in Note 5.

NOTE 10 - FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value of investments in certain entities that calculate net asset value per share (or its equivalent) are as follows:

	Fair Value 2024	Fair Value 2023	Unfunded Commitments	Redemption Frequency	Redemption Notice
Partnership interests	$ 76,634,532	$ 77,053,141	$ 6,685,405	monthly, quarterly, bi-annually	30-180 days
Private equity	$ 4,030,600	$ 9,561,749	$ 20,462,950	daily, quarterly, bi-annually	30-90 days
Hedge funds	$ 120,368,700	$ 102,461,214	$ -	quarterly, annually	30-90 days

A summary of the investment strategies for significant investments follows:

Partnership interests

The Foundation holds an investment with a fair value of approximately $11,317,000 in 2024 ($10,307,000 in 2023) in Davidson Kempner Institutional Partners, L.P. The investment objective of the fund is to achieve capital appreciation through event-driven investments which seek to exploit situations in which announced or anticipated events create inefficiencies in the pricing of investments.

The Foundation holds an investment with a fair value of approximately $3,058,000 in 2024 ($3,470,000 in 2023) in Whiteoak Capital Partners. The investment objective of the fund is the earning of substantial current income by lending and investing in a diversified portfolio of fixed income securities.

The Foundation holds an investment with a fair value of approximately $7,521,000 in 2024 ($9,375,000 in 2023) in American Strategic Value Realty Fund. The investment objective of the fund is to offer institutional investors the opportunity to participate in a real estate investment strategy that targets enhanced yield and value-added return opportunities, with a secondary goal of diversification to reduce overall investment risk.

The Foundation holds an investment with a fair value of approximately $27,436,000 in 2024 ($24,604,000 in 2023) in Thornburg International Equity Fund. The investment objective of the fund is to provide investors with long-term capital appreciation by investing in equity and debt securities of all types using a fundamental approach to uncover promising businesses with sound fundamentals in primarily the developed international markets of Europe and the Asia Pacific region.

NOTE 10 - FAIR VALUE MEASUREMENTS (CONTINUED)

Partnership interests (continued)

The Foundation holds an investment with a fair value of approximately $7,316,000 in 2024 ($8,182,000 in 2023) in Intercontinental Real Estate Corporation. The investment objective of the fund is to invest in a pool of real estate assets that are diversified by geography and property type, with a focus on yield-driven investments and value-added investments.

The Foundation holds an investment with a fair value of approximately $10,075,000 in 2024 ($8,539,000 in 2023) in Pointer Offshore, Ltd. The investment objective of the fund is to trade and invest in various securities, private investment companies and other investments.

The Foundation holds an investment with a fair value of approximately $6,555,000 in 2024 ($6,005,000 in 2023) in Brookfield Super-Core Infrastructure Partners. The investment objective of the fund is to invest in its high-quality, core infrastructure businesses that reflect a lower-risk strategy that aims to deliver stable performance.

Private equity funds

The Foundation holds an investment with a fair value of approximately $1,064,000 in 2024 ($1,828,000 in 2023) in Strategic Value Special Situations Feeder Fund III, L.P. The investment objective of the fund is to generate capital appreciation through global investments in a range of distressed financial and other assets.

The Foundation holds an investment with a fair value of approximately $580,000 in 2024 ($2,754,000 in 2023) in Monogram Capital Partners The investment objective of the fund is to generate capital appreciation through investment in consumer and retail brands.

Hedge funds

The Foundation holds an investment with a fair value of approximately $82,882,000 in 2024 ($75,065,000 in 2023) in Courage Special Situations Onshore Fund, Ltd. The investment objective of the fund is to achieve significant capital gains while minimizing risks associated with the broad security markets.

The Foundation holds an investment with a fair value of approximately $14,946,000 in 2024 ($15,742,000 in 2023) in Courage Credit Opportunities Offshore Fund IV, L.P. The investment objective of the fund is to achieve investment returns while emphasizing distressed investments in financially troubled companies, including those of companies that may be or have become involved in reorganization or bankruptcy proceedings.

NOTE 10 - FAIR VALUE MEASUREMENTS (CONTINUED)

Hedge funds (continued)

The Foundation holds an investment with a fair value of approximately $12,194,000 in 2024 ($11,169,000 in 2023) in Ironwood Institutional Multi-Strategy Fund LLC. The investment objective of the fund is capital appreciation with limited variability of returns.

In addition to the above funds, the Foundation invests in approximately 40 other investments in certain entities that calculate net asset value per share or its equivalent (ranging in value up to approximately $2,000,000) which engage in multi-strategy approaches for both domestic and international investments in public and private companies and other objectives.

Estimated Fair Value of Other Financial Instruments

The Foundation estimates that the fair value of all other financial instruments at December 31, 2024 and 2023, does not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying consolidated statements of financial position. The estimated fair value amounts have been determined by the Foundation using available market information and appropriate valuation methodologies.

NOTE 11 - CERTAIN BEQUESTS

The Foundation's endowment consists of five permanently restricted bequests for donor-restricted funds established for a variety of purposes including support for public education, the acquisition of affordable housing, children, animals and the performing arts. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation's donor-restricted endowment funds are subject to the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") and the State of Tennessee's State Uniform Prudent Management of Institutional Funds Act ("SUPMIFA").

Interpretation of applicable law - The Board of Directors and Board of Trustees has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

NOTE 11 - CERTAIN BEQUESTS (CONTINUED)

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of the investments
- The investment policies of the Foundation

Spending policy - The Foundation has a policy of appropriating for distribution each year a payout range of 4% to 6% of total fund assets as determined annually by the Investment and Finance Committee. This payout will approximate 5% but may be adjusted by the committee at its sole discretion.

Investment return objective, risk parameters and strategies - The Foundation holds the assets in endowment funds to apply income there, both for long-term development purposes as well as for responding to current and changing charitable needs in Middle Tennessee. These circumstances require a growing asset base as well as a growing annual return on that base and dictate the following general philosophy guiding the Foundation's investments:

- Primary emphasis shall be placed on safety of principal by minimizing risks from either market or credit factors; and

- Moderate growth of principal and total return will be expected consistent with maintaining safety of principal.

The objective of the Foundation's investment management is to earn a real total rate of return averaging at least 4% per annum measured over a full market cycle (usually three to five years). The total fund objective is to compare favorably with the upper end performance (that is, the top 40%) of balanced fund managers, averaged over a full market cycle.

Investments of the Foundation are diversified to prevent adverse effects of any given investment from unduly penalizing the overall portfolio performance. Diversification is interpreted to include different types, characteristics and numbers of investments.

Asset allocation between equities, fixed income instruments and alternative investments is one method of diversification of investments of endowment funds. The portfolio is structured to consist of 40% to 80% equity securities, 60% to 20% fixed income securities, and up to 20% in alternative investment strategies.

NOTE 11 - CERTAIN BEQUESTS (CONTINUED)

A schedule of endowment net asset composition by type of fund as of December 31 follows:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Accumulated investment gains	$ -	$ 299,747	$ 299,747
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	1,961,917	1,961,917
Total endowment funds	$ -	$ 2,261,664	$ 2,261,664

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Accumulated investment gains	$ -	$ 194,944	$ 194,944
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	1,961,917	1,961,917
Total endowment funds	$ -	$ 2,156,861	$ 2,156,861

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SUPMIFA requires the Foundation to retain as a fund of perpetual duration. Deficiencies total approximately $33,000 and $50,000 at December 31, 2024 and 2023.

NOTE 11 - CERTAIN BEQUESTS (CONTINUED)

A schedule of changes in endowment net assets follows for the years ended December 31:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, January 1, 2024	$ -	$ 2,156,861	$ 2,156,861
Investment income	-	20,566	20,566
Net appreciation (realized and unrealized)	-	222,299	222,299
Amounts appropriated for expenditure	-	(138,062)	(138,062)
Endowment net assets, December 31, 2024	$ -	$ 2,261,664	$ 2,261,664

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, January 1, 2023	$ -	$ 2,069,936	$ 2,069,936
Investment income	-	44,268	44,268
Net appreciation (realized and unrealized)	-	203,988	203,988
Amounts appropriated for expenditure	-	(161,331)	(161,331)
Endowment net assets, December 31, 2023	$ -	$ 2,156,861	$ 2,156,861

NOTE 12 - CONTRIBUTIONS OF NONFINANCIAL ASSETS

During the year ended December 31, 2024, the Foundation received donated property. The donated property is recorded in the consolidated financial statements as a contribution of nonfinancial assets at the estimated fair value at the date of receipt based on similar real estate values, which was approximately $1,075,000. The property is held in the Foundation's investments.

During the years ended December 31, 2024 and 2023, the Foundation received in-kind contributions in the form of professional services totaling approximately $0 and $15,000, respectively, based on the fair value of similar professional services. Such services were utilized for the Foundation's management and general activities and are recognized at fair value as support and expense in the period the services were performed.

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The term â€œunsolicited mass mailingsâ€? includes all statutory or common definitions or understanding of those terms in the applicable jurisdiction, such as those set forth for â€œCommercial Electronic Mail Messagesâ€? under the U.S. CAN-SPAM Act, as an example only; and (b) Subscriber will not use or permit the use of the Subscription Service: (i) to communicate any message or material that is defamatory, harassing, libelous, threatening, or obscene; (ii) in a way that violates or infringes upon the intellectual property rights or the privacy or publicity rights of any person or entity or that may otherwise be unlawful or give rise to civil or criminal liability (other than contractual liability of the parties under eContracts processed through the Subscription Service); (iii) in any manner that is likely to damage, disable, overburden, or impair the System or the Subscription Service or interfere with the use or enjoyment of the Subscription Service by others; or (iv) in any way that constitutes or encourages conduct that could constitute a criminal offense. DocuSign does not monitor the content processed through the Subscription Service, but in accordance with DMCA (Digital Millennium Copyright Act) safe harbors, it may suspend any use of the Subscription Service, or remove or disable any content that DocuSign reasonably and in good faith believes violates this Agreement or applicable laws or regulations. DocuSign will use commercially reasonable efforts to notify Subscriber prior to any such suspension or disablement, unless DocuSign reasonably believes that: (A) it is prohibited from doing so under applicable law or under legal process, such as court or government administrative agency processes, orders, mandates, and the like; or (B) it is necessary to delay notice in order to prevent imminent harm to the System, Subscription Service, or a third party. Under circumstances where notice is delayed, DocuSign will provide the notice if and when the related restrictions in the previous sentence no longer apply. 6. PRICING AND PER USE PURCHASES The prices, features, and options of the Subscription Service available for an Account depend on the Service Plan selected by Subscriber. Subscriber may also purchase optional services on a periodic or per-use basis. DocuSign may add or change the prices, features or options available with a

Service Plan without notice. Subscriber's usage under a Service Plan is measured based on the actual number of Seats as described in the Service Plan on the Site. Once a per-Seat Service Plan is established, the right of the named Authorized User to access and use the Subscription Service is not transferable; any additional or differently named Authorized Users must purchase per-Seat Service Plans to send Envelopes. Extra seats, users and/or per use fees will be charged as set forth in Subscriber's Service Plan if allowed by such Service Plan. If a Services Plan defines a monthly Envelope Allowance (i.e. # Envelopes per month allowed to be sent), all Envelopes sent in excess of the Envelope Allowance will incur a per-Envelope charge. Any unused Envelope Allowances will expire and not carry over from one billing period to another under a Service Plan. Subscriberâ€™s Account will be deemed to have consumed an Envelope at the time the Envelope is sent by Subscriber, regardless of whether Envelopes were received by recipients, or whether recipients have performed any actions upon any eContract in the Envelope. Powerforms are considered Envelopes within an Envelope Allowance Service Plan, and will be deemed consumed at the time they are â€œclickedâ€? by any end user regardless of whether or not any actions are subsequently performed upon such Envelope. For Service Plans that specify the Envelope Allowance is â€œUnlimited,â€? Subscriber is allowed to send a reasonable number of Envelopes from the number of Seats purchased. If DocuSign suspects that the number of Envelopes sent from a particular Seat or a group of Seats is abusive and/or unduly burdensome, DocuSign will promptly notify Subscriber, discuss the use-case scenario with Subscriber and any continued monitoring, additional discussions and/or information required to make a final determination on the course of action based on such information. In the event Subscriber exceeds, in DocuSignâ€™s sole discretion, reasonable use restrictions under a Service Plan, DocuSign reserves the right to transfer Subscriber into a higher-tier Service Plan without notice. If you misrepresent your eligibility for any Service Plan, you agree to pay us the additional amount you would have been charged under the most favorable pricing structure for which you are eligible. DocuSign may discontinue a Service Plan at any time, and with prior notice to you, may migrate your Account to a similar Service Plan that may carry a different fee. You agree to allow us to charge your credit card for the fees associated with a substitute Service Plan, even if those fees are higher than those you agreed to when you registered your Account. Optional asures, are measured at the time of use, and such charges are specific to the number of units of the service(s) used during the billing period. Optional services subject to periodic charges, such as additional secure storage, are charged on the same periodic basis as the Service Plan fees for the Subscription Service. 7. SUBSCRIBER SUPPORT DocuSign will provide Subscriber support to Subscriber as specified in the Service Plan selected by Subscriber, and that is further detailed on DocuSignâ€™s website. 8. STORAGE DocuSign will store eContracts per the terms of the Service Plan selected by Subscriber. For Service Plans that specify the Envelope storage amount is â€œUnlimited,â€? DocuSign will store an amount of Envelopes that is not abusive and/or unduly burdensome, in DocuSignâ€™s sole discretion. Subscriber may retrieve and store copies of eContracts for storage outside of the System at any time during the Term of the Service Plan when Subscriber is in good financial standing under these Terms and Conditions, and may delete or purge eContracts from the System at its own discretion. DocuSign may, at its sole discretion, delete an uncompleted eContract from the System immediately and without notice upon earlier of: (i) expiration of the Envelope (where Subscriber has established an expiration for such Envelope, not to exceed 365 days); or (ii) expiration of the Term. DocuSign assumes no liability or responsibility for a party's failure or inability to electronically sign any eContract within such a period of time. DocuSign may retain Transaction Data for as long as it has a business purpose to do so. 9. BUSINESS AGREEMENT BENEFITS You may receive or be eligible for certain pricing structures, discounts, features, promotions, and other benefits (collectively, "Benefits") through a business or government Subscriber's agreement with us (a "Business Agreement"). Any and all such Benefits are provided to you solely as a result of the corresponding Business Agreement and such Benefits may be modified or terminated without notice. If you use the Subscription Service where a business or government entity pays your charges or is otherwise liable for the charges, you authorize us to share your account information with that entity and/or its authorized agents. If you are enrolled in a Service Plan or receive certain Benefits tied to a Business Agreement with us, but you are liable for your own charges, then you authorize us to share enough account information with that entity and its authorized agents to verify your continuing eligibility for those Benefits and the Service Plan. 10. FEES AND PAYMENT TERMS The Service Plan rates, charges, and other conditions for use are set forth in the Site. Subscriber will pay DocuSign the applicable charges for the Services Plan as set forth on the Site. If you add more Authorized Users than the number of Seats you purchased, we will add those Authorized Users to your Account and impose additional charges for such additional Seats on an ongoing basis. Charges for pre-paid Service Plans will be billed to Subscriber in advance. Charges for per use purchases and standard Service Plan charges will be billed in arrears. When you register for an Account, you will be required to provide DocuSign with accurate, complete, and current credit card information for a valid credit card that you are authorized to use. You must promptly notify us of any change in your invoicing address or changes related to the credit card used for payment. By completing your registration for the Services Plan, you authorize DocuSign or its agent to bill your credit card the applicable Service Plan charges, any and all applicable taxes, and any other charges you may incur in connection with your use of the Subscription Service, all of which will be charged to your credit card. Each time you use the Subscription Service, or allow or cause the Subscription Service to be used, you reaffirm that we are authorized to charge your credit card. You may terminate your Account and revoke your credit card authorization as set forth in the Term and Termination section of these Terms and Conditions. We will provide you with one invoice in a format we choose, which may change from time to time, for all Subscription Service associated with each Account and any charges of a third party on whose behalf we bill. Payment of all charges is due and will be charged to your credit card upon your receipt of an invoice. Billing cycle end dates may change from time to time. When a billing cycle covers less than or more than a full month, we may make reasonable adjustments and/or prorations. If your Account is a qualified business account and is approved by us in writing for corporate billing, charges will be accumulated, identified by Account identification number, and invoiced on a monthly basis. You agree that we may (at our option) accumulate charges incurred during your monthly billing cycle and submit them as one or more aggregate charges during or at the end of each cycle, and that we may delay obtaining authorization from your credit card issuer until submission of the accumulated charge(s). This means that accumulated charges may appear on the statement you receive from your credit card issuer. If DocuSign does not receive payment from your credit card provider, you agree to pay all amounts due upon demand. DocuSign reserves the right to correct any errors or mistakes that it makes even if it has already requested or received payment. Your credit card issuer's agreement governs your use of your credit card in connection with the Subscription Service, and you must refer to such agreement (not these Terms and Conditions) with respect to your rights and liabilities as a cardholder. You are solely responsible for any and all fees charged to your credit card by the issuer, bank, or financial institution including, but not limited to, membership, overdraft, insufficient funds, and over the credit limit fees. You agree to notify us about any billing problems or discrepancies within 20 days after they first appear on your invoice. If you do not bring them to our attention within 20 days, you agree that you waive your right to dispute such problems or discrepancies. We may modify the price, content, or nature of the Subscription Service and/or your Service Plan at any time. If we modify any of the foregoing terms, you may cancel your use of the Subscription Service. We may provide notice of any such changes by e-mail, notice to you upon log-in, or by publishing them on the Site. Your payment obligations survive any termination of your use of the Subscription Service before the end of the billing cycle. Any amount not paid when due will be subject to finance charges equal to 1.5% of the unpaid balance per month or the highest rate permitted by applicable usury law, whichever is less, determined and compounded daily from the date due until the date paid. Subscriber will reimburse any costs or expenses (including, but not limited to, reasonable attorneysâ€™ fees) incurred by DocuSign to collect any amount that is not paid when due. DocuSign may accept any check or payment in any amount without prejudice to DocuSignâ€™s right to recover the balance of the amount due or to pursue any other right or remedy. Amounts due to DocuSign under these Terms and Conditions may not be withheld or offset by Subscriber for any reason against amounts due or asserted to be due to Subscriber from DocuSign. Unless otherwise noted and Conditions are denominated in United States dollars, and Subscriber will pay all such amounts in United States dollars. Other than federal and state net income taxes imposed on DocuSign by the United States, Subscriber will bear all taxes, duties, VAT and other governmental charges (collectively, â€œtaxesâ€?) resulting from these Terms and Conditions or transactions conducted in relation to these Terms and Conditions. Subscriber will pay any additional taxes as are necessary to ensure that the net amounts received and retained by DocuSign after all such taxes are paid are equal to the amounts that DocuSign would have been entitled to in accordance with these Terms and Conditions as if the taxes did not exist. 11. DEPOSITS, SERVICE LIMITS, CREDIT REPORTS, AND RETURN OF BALANCES You authorize us to ask consumer reporting agencies or trade references to furnish us with employment and credit information, and you consent to our rechecking and reporting personal and/or business payment and credit history if, in our sole discretion, we so choose. If you believe that we have reported inaccurate information about your account to a consumer reporting agency, you may send a written notice describing the specific inaccuracy to the address provided in the Notices section below. For you to use the Subscription Service, we may require a deposit or set a service limit. The deposit will be held as a partial guarantee of payment. It cannot be used by you to pay your invoice or delayed payment. Unless otherwise required by law, deposits may be mixed with other funds and will not earn interest. We reserve the right to increase your deposit if we deem appropriate. You may request that we reevaluate your deposit on an annual basis, which may result in a partial or total refund of the deposit to you or credit to your account. If you default or these Terms and Conditions are terminated, we may, without notice to you, apply any deposit towards payment of any amounts you owe to us. After approximately 90 days following termination of these Terms and Conditions, any remaining deposit or other credit balance in excess of amounts owed will be returned without interest, unless otherwise required by law, to you at your last known address. You agree that any amounts under $15 will not be refunded to cover our costs of closing your account. If the deposit balance is undeliverable and returned to us, we will hold it for you for one year from the date of return and, during that period, we may charge a service fee against the deposit balance. You hereby grant us a security interest in any deposit we require to secure the performance of your obligations under these Terms and

Conditions. 12. TERM AND TERMINATION The term of these Terms and Conditions for each Account begins on the date you register for an Account and continues for the term specified by the Service Plan you purchase (the â€œTermâ€?). You may terminate your Account at any time upon 10 days advance written notice to DocuSign following the Notice procedures set forth in these Terms and Conditions. Unless you terminate your Account or you set your Account to not auto renew, your Service Plan will automatically renew at the end of its Term (each a â€œRenewal Termâ€?), and you authorize us (without notice) to collect the then-applicable fee and any taxes for the renewed Service Plan, using any credit card we have on record for you. Service Plan fees and features may change over time. Your Service Plan for a Renewal Term will be the one we choose as being closest to your Service Plan from the prior Term. For any termination (including when you switch your Account), you will be responsible for payment of all fees and charges through the end of the billing cycle in which termination occurs. If you terminate your annual Service Plan Account within the first 30 days of the Term, you may submit written request to DocuSign following the Notice procedures set forth in these Terms and Conditions, for a full refund of the prepaid fees paid by you to DocuSign. You will be limited to one refund. You agree that termination of an annual Service Plan after the first 30 days will not entitle you to any refund of prepaid fees. You will be in default of these Terms and Conditions if you: (a) fail to pay any amount owed to us or an affiliate of ours or any amount appearing on your invoice; (b) have amounts still owing to us or an affiliate of ours from a prior account; (c) breach any provision of these Terms and Conditions; (d) violate any policy applicable to the Subscription Service; (e) are subject to any proceeding under the Bankruptcy Code or similar laws; or (f) if, in our sole discretion, we believe that your continued use of the Subscription Service presents a threat to the security of other users of the Subscription Service. If you are in default, we may, without notice to you, suspend your Account and use of the Subscription Service, withhold refunds and terminate your Account, in addition to all other remedies available to us. We may require reactivation charges to reactivate your Account after termination or suspension. The following provisions will survive the termination of these Terms and Conditions and your Account: Sections 3, 9-11, and 15-23. 13. SUBSCRIBER WARRANTIES You hereby represent and warrant to DocuSign that: (a) you have all requisite rights and authority to use the Subscription Service under these Terms and Conditions and to grant all applicable rights herein; (b) the performance of your obligations under these Terms and Conditions will not violate, conflict with, or result in a default under any other agreement, including confidentiality agreements between you and third parties; (c) you will use the Subscription Service for lawful purposes only and subject to these Terms and Conditions; (d) you are responsible for all use of the Subscription Service in your Account; (e) you are solely responsible for maintaining the confidentiality of your Account names and password(s); (f) you agree to immediately notify us of any unauthorized use of your Account of which you become aware; (g) you agree that DocuSign will not be liable for any losses incurred as a result of a third party's use of your Account, regardless of whether such use is with or without your knowledge and consent; (h) you will not use the Subscription Service in any manner that could damage, disable, overburden or impair the System, or interfere with another's use of the Subscription Service by others; (i) any information submitted to DocuSign by you is true, accurate, and correct; and (j) you will not attempt to gain unauthorized access to the System or the Subscription Service, other accounts, computer systems, or networks under the control or responsibility of DocuSign through hacking, cracking, password mining, or any other unauthorized means. 14. DOCUSIGN WARRANTIES DocuSign represents and warrants that: (a) the Subscription Service as delivered to Subscriber and used in accordance with the Specifications will not infringe on any United States patent, copyright or trade secret; (b) the Subscription Service will be performed in accordance with the Specifications in their then-current form at the time of the provision of such Subscription Service; (c) any DocuSign Products that are software shall be free of harmful or illicit code, trapdoors, viruses, or other harmful features; (d) the proper use of the Subscription Service by Subscriber in accordance with the Specifications and applicable law in the formation of an eContract not involving any consumer will be sufficient under the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Â§Â§ 7001 et seq. (the â€œESIGN Actâ€?) to ESIGN Act; (e) the proper use of the Subscription Service by Subscriber in accordance with the Specifications and applicable law in the formation of an eContract involving a consumer will be sufficient under the ESIGN Act to support the validity of such formation, to the extent provided in the ESIGN Act, so long as and provided that Subscriber complies with all special requirements for consumer eContracts, including and subject to those referenced in Section 4.(f) and (g) above; and (f) DocuSign has implemented information security policies and safeguards to preserve the security, integrity, and confidentiality of eContracts and to protect against unauthorized access and anticipated threats or hazards thereto, that meet the objectives of the Interagency Guidelines Establishing Standards for Safeguarding Subscriber Information as set forth in Section 501 (b) of the Gramm-Leach-Bliley Act. 15. DISCLAIMER OF WARRANTIES EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES EXPRESSLY PROVIDED IN SECTION 14 OF THESE TERMS AND CONDITIONS, THE SUBSCRIPTION SERVICE AND THE SITE ARE PROVIDED â€œAS IS,â€? AND DOCUSIGN: (a) MAKES NO ADDITIONAL REPRESENTATION OR WARRANTY OF ANY KIND WHETHER EXPRESS, IMPLIED (EITHER IN FACT OR BY OPERATION OF LAW), OR STATUTORY, AS TO ANY MATTER WHATSOEVER; (b) EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUALITY, ACCURACY, AND TITLE; AND (c) DOES NOT WARRANT THAT THE SUBSCRIPTION SERVICE OR SITE ARE OR WILL BE ERROR-FREE, WILL MEET SUBSCRIBERâ€™S REQUIREMENTS, OR BE TIMELY OR SECURE. SUBSCRIBER WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGE RESULTING FROM THE USE OF THE SUBSCRIPTION SERVICE OR SITE. SUBSCRIBER WILL NOT HAVE THE RIGHT TO MAKE OR PASS ON ANY REPRESENTATION OR WARRANTY ON BEHALF OF DOCUSIGN TO ANY THIRD PARTY. USE OF THE SUBSCRIPTION SERVICE AND SITE ARE AT YOUR SOLE RISK. Because some states and jurisdictions do not allow limitations on implied warranties, the above limitation may not apply to you. In that event, such warranties are limited to the minimum warranty period allowed by the applicable law. 16. SUBSCRIBER INDEMNIFICATION OBLIGATIONS You will defend, indemnify, and hold us, our affiliates, officers, directors, employees, suppliers, consultants, and agents harmless from any and all third party claims, liability, damages, and costs (including, but not limited to, attorneys' fees) arising from or related to: (a) your use of the Subscription Service; (b) your violation of these Terms and Conditions; (c) your infringement, or infringement by any other user of your Account, of any intellectual property or other right of any person or entity; or (d) the nature and content of all materials, works, data, statements, and other visual, graphical, written, or audible communications of any nature submitted by any Authorized User of your Account or otherwise processed through your Account. 17. LIMITATIONS OF LIABILITY NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THESE TERMS AND CONDITIONS, DOCUSIGN WILL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE TO SUBSCRIBER

FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED UNDER THESE TERMS AND CONDITIONS, INCLUDING BUT NOT LIMITED TO LOST PROFITS OR LOSS OF BUSINESS, EVEN IF APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING. UNDER NO CIRCUMSTANCES WILL DOCUSIGN'S TOTAL LIABILITY OF ALL KINDS ARISING OUT OF OR RELATED TO THESE TERMS AND CONDITIONS OR SUBSCRIBERâ€™S USE OF THE SUBSCRIPTION SERVICE (INCLUDING BUT NOT LIMITED TO WARRANTY CLAIMS), REGARDLESS OF THE FORUM AND REGARDLESS OF WHETHER ANY ACTION OR CLAIM IS BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE TOTAL AMOUNT PAID BY SUBSCRIBER TO DOCUSIGN UNDER THESE TERMS AND CONDITIONS DURING THE 3 MONTHS PRECEDING THE DATE OF THE ACTION OR CLAIM. EACH PROVISION OF THESE TERMS AND CONDITIONS THAT PROVIDES FOR A LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTIES, OR EXCLUSION OF DAMAGES REPRESENTS AN AGREED ALLOCATION OF THE RISKS OF THESE TERMS AND CONDITIONS BETWEEN THE PARTIES. THIS ALLOCATION IS REFLECTED IN THE PRICING OFFERED BY DOCUSIGN TO SUBSCRIBER AND IS AN ESSENTIAL ELEMENT OF THE BASIS OF THE BARGAIN BETWEEN THE PARTIES. EACH OF THESE PROVISIONS IS SEVERABLE AND INDEPENDENT OF ALL OTHER PROVISIONS OF THESE TERMS AND CONDITIONS, AND EACH OF THESE PROVISIONS WILL APPLY EVEN IF THE WARRANTIES IN THESE TERMS AND CONDITIONS HAVE FAILED OF THEIR ESSENTIAL PURPOSE. Because some states and jurisdictions do not allow limitation of liability in certain instances, portions of the above limitation may not apply to you. 18. CONFIDENTIALITY â€œConfidential Informationâ€? means any trade secrets or other information of DocuSign, whether of a technical, business, or other nature (including, without limitation, DocuSign software and related information), that is disclosed to or made available to Subscriber. Confidential Information does not include any information that: (a) was known to Subscriber prior to receiving it from DocuSign; (b) is independently developed by Subscriber without use of or reference to any Confidential Information; (c) is acquired by Subscriber from another source without restriction as to use or disclosure; or (d) is or becomes part of the public domain through no fault or action of Subscriber. During and after the Term of these Terms and Conditions, Subscriber will: (i) use the Confidential Information solely for the purpose for which it is provided; (ii) not disclose such Confidential Information to a third party; and (iii) protect such Confidential Information from unauthorized use and disclosure to the same extent (but using no less than a reasonable degree of care) that it protects its own Confidential Information of a similar nature. If Subscriber is required by law to disclose the Confidential Information or the terms of these Terms and Conditions, Subscriber must give prompt written notice of such requirement before such disclosure and assist the DocuSign in obtaining an order protecting the Confidential Information from public disclosure. Subscriber acknowledges that, as between the parties, all Confidential Information it receives from DocuSign, including all copies thereof in Subscriber's possession or control, in any media, is proprietary to and exclusively owned by DocuSign. Nothing in these Terms and Conditions grants Subscriber any right, title, or interest in or to any of the Confidential Information. Subscriber's incorporation of the Confidential Information into any of its own materials shall not render Confidential Information non-confidential. Subscriber acknowledges that any actual or threatened violation of this confidentiality provision may cause

irreparable, non-monetary injury to the disclosing party, the extent of which may be difficult to ascertain, and therefore agrees that DocuSign shall be entitled to seek injunctive relief in addition to all remedies available to DocuSign at law and/or in equity. Absent written consent of DocuSign, the burden of proving that the Confidential Information is not, or is no longer, confidential or a trade secret shall be on Subscriber. 19. PRIVACY Personal information provided or collected through or in connection with this Site shall only by used in accordance with DocuSignâ€™s Privacy Policy and these Terms and Conditions are subject to the Privacy Policy on DocuSign's website which sets forth the terms and conditions governing DocuSign's collection and use of personal information from Authorized Users that is gathered through the Site. 20. ACCESS LIMITS Your use of the Site is at all times governed by our website Terms of
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