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WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS

JUNE 30, 2023, and 2022

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
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JUNE 30, 2023 AND 2022**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
West Valley-Mission Community College Foundation
Saratoga, California

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of West Valley-Mission Community College Foundation (the "Foundation"), as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Valley-Mission Community College Foundation as of June 30, 2023 and 2022, and the changes to its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of A West Valley-Mission Community College Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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.

CWDL, Certified Public Accountants

San Diego, California
October 4, 2023

FINANCIAL STATEMENTS

WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 351,627	\$ 897,429
Investments	26,332,733	24,260,301
Promises to give	459,420	408,925
Charitable remainder trust	1,150,732	1,110,554
Other assets	359,347	344,173
Total Assets	\$ 28,653,859	\$ 27,021,382
LIABILITIES		
Accrued liabilities	\$ 37,543	\$ 5,976
Total Liabilities	37,543	5,976
NET ASSETS		
Net assets without donor restrictions	86,088	25,088
Net assets with donor restrictions	28,530,228	26,990,318
Total Net Assets	28,616,316	27,015,406
Total Liabilities and Net Assets	\$ 28,653,859	\$ 27,021,382

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023**

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
SUPPORT AND REVENUE			
Donations	\$ 3,860	\$ 1,009,331	\$ 1,013,191
In-kind contributions	8,845	-	8,845
Interest income	61,683	833,894	895,577
Investment income/(loss)	-	1,271,561	1,271,561
Interest income	-	252,018	252,018
Donated services	615,983	-	615,983
Satisfaction of programs restrictions/transfers	1,826,894	(1,826,894)	-
Total Support and Revenue	2,517,265	1,539,910	4,057,175
EXPENSES			
Program services	1,835,738	-	1,835,738
Management and general	620,527	-	620,527
Total Expenses	2,456,265	-	2,456,265
Change in Net Assets	61,000	1,539,910	1,600,910
Net Assets - Beginning of Year	25,088	26,990,318	27,015,406
Net Assets - End of Year	\$ 86,088	\$ 28,530,228	\$ 28,616,316

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2022**

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
SUPPORT AND REVENUE			
Donations	\$ 4,360	\$ 1,168,994	\$ 1,173,354
In-kind contributions	5,556	-	5,556
Interest income	1,670	614,850	616,520
Investment income/(loss)	-	(873,305)	(873,305)
Interest income	88	160,131	160,219
Donated services	536,338	-	536,338
Satisfaction of programs restrictions/transfers	1,210,968	(1,210,968)	-
Total Support and Revenue	1,758,980	(140,298)	1,618,682
EXPENSES			
Program services	1,216,522	-	1,216,522
Management and general	541,212	-	541,212
Total Expenses	1,757,734	-	1,757,734
Change in Net Assets	1,246	(140,298)	(139,052)
Net Assets - Beginning of Year	23,842	27,130,616	27,154,458
Net Assets - End of Year	\$ 25,088	\$ 26,990,318	\$ 27,015,406

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022**

Year Ended June 30, 2023	Program	Management and General	Total
Awards	\$ 29,532	\$ -	\$ 29,532
Scholarships	776,674	-	776,674
Emergency Assistance	106,339	-	106,339
Supplies / donated goods	403,563	994	404,557
Donated management services	-	615,983	615,983
Professional services	220,023	-	220,023
Travel services	51,487	-	51,487
Uniforms	43,079	-	43,079
Conferences and dues	34,574	200	34,774
Bank charges	79,358	3,350	82,708
Recognition Luncheon and Dinners	24,586	-	24,586
Promotional Expenses	29,725	-	29,725
Other expenses	36,798	-	36,798
Total	\$ 1,835,738	\$ 620,527	\$ 2,456,265

Year Ended June 30, 2022	Program	Management and General	Total
Awards	\$ 3,310	\$ -	\$ 3,310
Scholarships	708,090	-	708,090
Emergency Assistance	26,850	-	26,850
Supplies / donated goods	87,329	-	87,329
Donated management services	-	536,339	536,339
Professional services	165,013	-	165,013
Travel services	15,073	-	15,073
Uniforms	36,282	-	36,282
Conferences and dues	20,559	400	20,959
Bank charges	89,465	4,473	93,938
Recognition Luncheon and Dinners	48,436	-	48,436
Promotional Expenses	14,743	-	14,743
Other expenses	1,372	-	1,372
Total	\$ 1,216,522	\$ 541,212	\$ 1,757,734

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022**

Year Ended June 30,	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,600,910	\$ (139,052)
Change in fair value of investments	(2,072,429)	(407,700)
Contributions restricted for endowment	(544,110)	(941,657)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in:		
Accounts receivable	(50,497)	11,074
Other assets	(15,174)	6,997
Charitable trust	(40,177)	211,115
Accrued liabilities	31,566	3,179
Net Cash Provided (Used) by Operating Activities	<u>(1,089,911)</u>	<u>(1,256,044)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from contribution restricted for investment in endowment	<u>544,110</u>	<u>941,657</u>
Net Increase (Decrease) in Cash	(545,801)	(251,407)
Cash and Cash Equivalents - Beginning of Year	<u>897,428</u>	<u>1,148,835</u>
Cash and Cash Equivalents - End of Year	<u>\$ 351,627</u>	<u>\$ 897,428</u>

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT POLICIES

Organization: The West Valley-Mission Community College Foundation (the "Organization") is a nonprofit corporation dedicated to providing assistance to the students, teachers, and programs of the West Valley and Mission Colleges. The Organization merged with the West Valley-Mission College Foundation and changed its name from the West Valley-Mission Advancement Foundation to the West Valley-Mission Community College Foundation. Revenues are derived principally through the Organization's fundraising programs and contributions from individuals, corporations, and service organizations.

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recognized when they are incurred in accordance with accounting principles generally accepted in the United States of America.

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

Support and Expenses: Contributions are measured at their fair value at the date of contribution and are reported as an increase in net assets. The Organization reports gifts of cash or other assets in the category designated by the donor. The Organization reports gifts of goods and equipment as net assets without donor restrictions support unless explicit donor stipulations specify how the donated assets must be used. Equipment donated for the use of either the West Valley or Mission College is passed through to the West Valley-Mission Community College District. Absent explicit donor stipulation about where the contributions are to be spent, the Organization reports these contributions as net assets without donor restrictions.

Financial Statement Presentation: The Foundation prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements include the accounts maintained by and directly under the control of the Foundation.

The Foundation reports information regarding its financial position and activities according to three classes of net assets: net assets without donor restrictions or net assets with donor restrictions. In addition, the Foundation is required to present a statement of cash flows. The Foundation does not use fund accounting. Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting.

The Foundation and the District are financial interrelated organizations as defined by Transfers of Assets to a Nonprofit or Charitable Trust that Holds Contributions for Others. The Foundation reflects contributions received for the benefit of the District as revenue in its financial statements. The expenses related to these contributions are accounted for under program and supporting services.

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT POLICIES, continued

Revenue Recognition: Contributions received are recorded as new assets without donor restrictions or new assets with donor restrictions depending upon the existence and/or nature of any donor restrictions. Contributions are generally recorded only upon receipt, unless evidence of an unconditional promise to give has been received. Unconditional promises to give (contributions receivable) that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. Conditional promises to give are not included as support until such time as the conditions are substantially met. Event revenues received in advance are deferred and recognized in the period as the events occur. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Donated materials and equipment are recorded as contributions based on the estimated fair value at the date of donation. Donated services are recorded as contributions at their estimated fair value only in those instances where the services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would need to be purchased if not provided by donation.

In Kind Donations: During the year, many individuals donate significant amounts of time and services to the District in an effort to advance the programs and objectives of the Foundation. These services have not been recorded in the financial statements because the criteria for recognition of such volunteer effort has not been satisfied.

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Net Assets: The financial statements report amounts separately by class of net assets as follows:

- Net assets without donor restrictions are those resources that are currently available for operations.
- Net assets with donor restrictions are those resources which are stipulated by donors for various scholarships or other programmatic uses.

Allowance for Uncollectible Receivables: The Organization computes the allowance for doubtful accounts base on the actual uncollectible accounts receivable. Uncollectible accounts over the history of the organization have been considered immaterial and inconsistent. Therefore, no amounts have been included for an allowance for doubtful accounts.

Underwater Endowment Funds: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the Board of Trustees.

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT POLICIES, continued

Underwater Endowment Funds continued: The Foundation considers its endowments to be underwater if their fair value is less than the sum of (1) the original value of initial and subsequent gift amounts donated to the endowment and (2) any accumulations to the endowment required to be held in perpetuity per donor direction. The Foundation has no underwater endowment funds at June 30, 2023.

Donated Services, Goods, and Facilities: A substantial number of volunteers have donated their time and experience to the Organization's program services and fundraising campaigns during the year. However, these donated services are not reflected in the financial statements since there is no readily determined method of valuing the services.

The Organization supports and improves community interaction with the West Valley-Mission Community College District. In its capacity as community liaison, the Organization procures public support for the West Valley-Mission Community College District, which is recorded in the Organization's accounting records. Materials and other assets received as donations recorded and reflected in the financial statements at their fair values on the date of receipt were \$8,845 during the fiscal year ended June 30, 2023 and \$5,556 for the fiscal year ended June 30, 2022.

During the year, management and administrative services were provided by the West Valley-Mission Community College District employees on behalf of the Organization. These donated services were valued at \$615,983 that were paid by the District on behalf of the Organization are recognized in the financial statements as in-kind donation revenue and donated management services. The donated management services were charged to administrative support.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents: Cash and cash equivalents consist of cash held in checking and money market accounts and certificates of deposit with maturities of less than 90 days. The Organization maintains cash balances in banks which are insured up to \$250,000. At June 30, 2023, the amount in excess of Federal Depository Insurance Corporation coverage was approximately \$17,317.

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT POLICIES, continued

Income Taxes: The Organization is a nonprofit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). Income tax returns for 2014 and forward may be audited by regulatory agencies, however, the Organization is not aware of any such actions at this time.

Income Taxes, continued: The Organization has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740 that clarifies the accounting for uncertainty in tax positions taken or expected to be taken on a tax return and provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if, based on its merits, the position is more likely than not to be sustained on audit by the taxing authorities. Management believes that all tax positions taken to date are highly certain, and, accordingly, no accounting adjustment has been made to the financial statements.

Allocation of Functional Expenses: The costs of providing the various programs, fundraising, and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among programs and fundraising activities benefited.

Change in the Accounting Principle: In February 2016, the Financial Accounting Standards Board (FASB) established Accounting Standards Codification (ASC) Topic 842, Leases, (ASC Topic 842) by issuing Accounting Standards Update (ASU) No. 2016-02, which is effective January 1, 2022, and requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. The new standard establishes a right-of-use model (ROU) that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the statement of operations. On June 30, 2023, the Foundation had no leases requiring recognition under ASC Topic 842.

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 2 – INVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Investments consist of the following at June 30:

	2023	2022
Funds invested in government cash reserves	\$ 2,952,476	\$ 2,369,980
Funds invested in mutual funds and sweep accounts	6,973,633	5,719,065
Funds invested in exchange traded funds	9,060,415	8,067,116
Funds invested in other investments	7,346,209	8,104,140
Funds invested in other Foundations	359,347	344,173
Total	<u>\$ 26,692,080</u>	<u>\$ 24,604,474</u>
Investments	\$ 26,332,733	\$ 24,260,301
Other foundation investments	359,347	344,173
Total	<u>\$ 26,692,080</u>	<u>\$ 24,604,474</u>
Unrealized gains (losses) on investments	\$ 1,271,561	\$ (873,305)
Interest and dividends	895,577	616,520
Total investment income	<u>\$ 2,167,138</u>	<u>\$ (256,785)</u>

Investment Policies

Return Objectives and Risk Parameters: The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. In order to meet its needs, the investment strategy of the West Valley – Mission Community College Foundation is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity. Under this policy, as approved by the Board of Directors, the endowment assets are invested to meet or exceed the market index, or blended market index, selected and agreed upon by the Finance Committee that most closely corresponds to the style of investment management. The Organization expects its endowment funds, over time, to provide an average rate of return of approximately four percent annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives: To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 2 – INVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS, continued

Spending Policy and How the Investment Objectives Relate to Spending Policy: The Organization may distribute 4% of the average of the previous three years' endowment fair value from scholarship endowment for intended scholarship awards. In establishing this policy, the Organization considered the long-term expected return on its endowment and the need to maintain some investment income in reserve to plan for the potential of scholarship awards exceeding investment income.

NOTE 3 – MARKET VALUE OF FINANCIAL ASSETS AND LIABILITIES

Effective July 1, 2008, the Organization determines the fair market values of certain financial instruments based on the fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value.

The following provides a summary of the hierarchical levels used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 asset and liabilities may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities may include debt securities with quoted prices that are traded less frequently than exchange-traded instruments and other instruments whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. This category generally includes U.S. Government and agency mortgage-backed securities, corporate debt securities, derivative contracts, residential mortgage, and loans held-for-sale.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private equity investments, retained residual interests in securitizations, residential MSRs, asset-backed securities (ABS), highly structured or long-term derivative contracts and certain collateralized debt obligations (CDO) where independent pricing information was not able to be obtained for a significant portion of the underlying assets.

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 3 – MARKET VALUE OF FINANCIAL ASSETS AND LIABILITIES, continued

Assets and Liabilities Recorded at Fair Value on a Recurring Basis: The following table presents the balances of the assets measured at fair value on a recurring basis as of June 30, 2023 and 2022. The Organization did not have any liabilities measured at fair value on a recurring basis as of June 30:

Description	June 30, 2023			
	Fair Value	Level 1	Level 2	Other - NAV
Investment securities:				
Cash reserves	\$ 2,952,476	\$ 2,952,476	\$ -	\$ -
Mutual funds/sweep accounts	16,034,048	-	16,034,048	-
Other	7,705,556	-	-	7,705,556
Total assets measured at fair value	\$ 26,692,080	\$ 2,952,476	\$ 16,034,048	\$ 7,705,556

Description	June 30, 2022			
	Fair Value	Level 1	Level 2	Other - NAV
Investment securities:				
Cash reserves	\$ 2,369,980	\$ 2,369,980	\$ -	\$ -
Mutual funds/sweep accounts	13,786,181	-	13,786,181	-
Other	8,448,313	-	-	8,448,313
Total assets measured at fair value	\$ 24,604,474	\$ 2,369,980	\$ 13,786,181	\$ 8,448,313

NOTE 4 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include amounts set aside for program services that could be drawn upon if the Board of Directors approves that action.

	2023	2022
Financial assets, at year-end:		
Cash and cash equivalents	\$ 351,627	\$ 897,429
Investments	26,332,733	24,260,301
Promises to give	459,420	408,925
Charitable remainder trust	1,150,732	1,110,554
Other assets	359,347	344,173
Total Financial assets, at year-end	\$ 28,653,859	\$ 27,021,382
Donor restrictions for specific purposes	\$ (28,530,228)	\$ (26,990,318)
Total contractual or donor-imposed restrictions	(28,530,228)	(26,990,318)
Financial assets available to meet cash needs for general expenditure within one year	\$ 123,631	\$ 31,064

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 5 – CONTRIBUTED NONFINANCIAL ASSETS

The Foundation awards financial support for various programs and general support to the District in accordance with donor instructions. There were no amounts payable to the District as of June 2023 and 2022. During the year ended June 30, 2023 and 2022, the Foundation transmitted nonfinancial assets to the District in the following amounts:

Description	2023	2022	Utilization in program/activities	Donor restrictions	Valuation techniques and inputs
Equipment	\$ 8,845	\$ 5,414	N/A	No associated donor restrictions	Estimated wholesale prices of identical or similar prodducs if purchased in the region
Food	\$ -	\$ 142	N/A	Restricted for Kvamme Event	Estimated wholesale prices of identical or similar prodducs if purchased in the region
Total	<u>\$ 8,845</u>	<u>\$ 5,556</u>			

NOTE 6 – PROMISES TO GIVE AND CONTRIBUTIONS

Contributions receivables represent unconditional promises to give, which have been made by donors, but not received.

	2023	2022
WVC-Fang Pei Promise Scholarship Fund	\$ 300,000	\$ 350,000
WVC-Talai Scholarship Fund	10,000	15,000
WVC-Chemistry Fund	15,000	20,000
WVC-Joan & Bob Gamba Memorial Scholarship Endowment Fund	14,920	19,425
WVC-Joan & Bob Gamba Memorial Scholarship spendable Fund	4,500	4,500
WVC-Brooke Schryver Memorial Scholarship	9,000	-
WVC-Susan Weiner Scholarship	6,000	-
MC-Silicon Valley Power Sustainable Futures Scholarship	100,000	-
Total	<u>\$ 459,420</u>	<u>\$ 408,925</u>

NOTE 7 – PERPETUAL TRUST

The Organization is a beneficiary of a perpetual trust whose proceeds are restricted for providing scholarships to engineering students. Under the terms of the trust agreement, one third of the investment earnings of the trust are to be distributed to the Organization annually. The balance in the trust was approximately \$3,452,195 as of June 30, 2023. The present value of the estimated income stream was calculated at \$1,150,732 as of June 30, 2023.

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
(A CALIFORNIA NONPROFIT CORPORATION)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

The net assets with donor restrictions – non endowed funds as of June 30, 2023 and 2022 were as follows:

	2023	2022
College department funds	\$ 2,518,137	\$ 2,741,531

The net assets with donor restrictions – endowed funds as of June 30, as follows:

Endowment Funds - June 30, 2023	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 22,794,062	\$ 22,794,062
Allocation of interest and dividend income	-	809,844	809,844
Change in fair value of investments	-	1,216,211	1,216,211
Contributions	-	544,110	544,110
Fees	-	(79,358)	(79,358)
Scholarship distributions	-	(633,561)	(633,561)
Other expenses	-	(149,293)	(149,293)
Total	\$ -	\$ 24,502,015	\$ 24,502,015

Endowment Net Assets	\$ 24,502,015
Lenore and Curtis Mills Charitable remainder trust	1,150,732
California Community College Investment	359,346
Total Endowment	<u>\$ 26,012,093</u>

Endowment Funds - June 30, 2022	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 22,501,742	\$ 22,501,742
Allocation of interest and dividend income	-	587,250	587,250
Change in fair value of investments	-	(592,211)	(592,211)
Contributions	-	941,657	941,657
Fees	-	(89,465)	(89,465)
Scholarship distributions	-	(545,650)	(545,650)
Other expenses	-	(9,261)	(9,261)
Total	\$ -	\$ 22,794,062	\$ 22,794,062

Endowment Net Assets	\$ 22,794,062
Lenore and Curtis Mills Charitable remainder trust	1,110,554
California Community College Investment	344,172
Total Endowment	<u>\$ 24,248,788</u>

**WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS, continued

Net assets with donor restrictions summary – as of June 30, were as follows:

	2023	2022
Total net assets with donor restrictions - non endowed	\$ 2,518,137	\$ 2,741,531
Total net assets with donor restrictions - endowed	26,012,091	24,248,788
Total net assets with donor restrictions	<u>\$ 28,530,228</u>	<u>\$ 26,990,319</u>

NOTE 9 – RELATED PARTIES

The District provides office space to the Foundation. The fair market of this space is considered immaterial and has not been determined and, as such, is neither included as an expense to the Foundation, nor is the value included in the Foundation's income.

The Mission – West Valley Land Corporation provided endowment funds to the foundation, the ending balance of which is included in Note 8 above. During the year ended June 30, 2023 and 2022, the activity in the Mission – West Valley Land Corporation endowment fund was as follows:

	2023	2022
Land Corp Endowment		
Beginning balance	\$ 11,612,556	\$ 12,050,559
Interest Income	370,880	275,564
Investment gains (losses)	623,584	(286,131)
Fees	(40,920)	(47,436)
Scholarships/other allowable uses	(418,000)	(380,000)
Ending Balance	<u>\$ 12,148,100</u>	<u>\$ 11,612,556</u>

NOTE 10 – CONCENTRATIONS

During the year ended June 30, 2023, the Foundation received 24.85% of its donation revenue from one source, and 8.87% from a second source. At June 30, 2022, the Foundation received 14.74% of its donation revenue from one source, and 11.05% from a second source. The remainder of the donation revenue was diversified across multiple donors.

NOTE 11 – SUBSEQUENT EVENTS

The Organization's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through October 4, 2023, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.