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LAKE TAHOE COMMUNITY COLLEGE FOUNDATION

AUDIT REPORT

JUNE 30, 2024 AND 2023

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LAKE TAHOE COMMUNITY COLLEGE FOUNDATION
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JUNE 30, 2024 AND 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Lake Tahoe Community College Foundation
South Lake Tahoe, California

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of Lake Tahoe Community College Foundation (the "Foundation"), as of and for the years ended June 30, 2024 and 2023, and the related notes to 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 the Foundation as of June 30, 2024 and 2023, and the changes to 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 Opinions

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 *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 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, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the 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 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, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2024, on 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, 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. That 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.

CWDL, Certified Public Accountants

San Diego, California
December 9, 2024

FINANCIAL STATEMENTS

LAKE TAHOE COMMUNITY COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS		
Current assets:		
Cash and cash equivalents	$	1,731,244
Accounts receivable		24,340
Other current assets		24,871
Total current assets		1,780,455
Non-current assets:		
Investments		3,876,990
Total non-current assets		3,876,990
TOTAL ASSETS	$	5,657,445
LIABILITIES		
Accounts payable	$	89,705
Deferred revenue		120,753
Total liabilities		210,458
NET ASSETS		
Net assets without donor restrictions		1,587,883
Net assets with donor restrictions		3,859,104
Total net assets		5,446,987
TOTAL LIABILITIES AND NET ASSETS	$	5,657,445

LAKE TAHOE COMMUNITY COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS		
Current assets:		
Cash and cash equivalents	$	1,383,586
Accounts receivable		27,461
Other current assets		25,063
Total current assets		1,436,110
Non-current assets:		
Investments		3,448,747
Total non-current assets		3,448,747
TOTAL ASSETS	$	4,884,857
LIABILITIES		
Accounts payable	$	53,837
Deferred revenue		85,518
Total liabilities		139,355
NET ASSETS		
Net assets without donor restrictions		1,296,755
Net assets with donor restrictions		3,448,747
Total net assets		4,745,502
TOTAL LIABILITIES AND NET ASSETS	$	4,884,857

LAKE TAHOE COMMUNITY COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
SUPPORT AND REVENUE			
Donations	$ 62,282	$ 597,378	$ 659,660
Special events, net	125,686	3,500	129,186
Interest and dividends, net	385,984	85,351	471,335
In-kind donations	6,275	-	6,275
Assets released from restrictions	275,872	(275,872)	-
TOTAL SUPPORT AND REVENUE	856,099	410,357	1,266,456
EXPENSES			
Operating expenses	21,198	-	21,198
Program expenses	483,564	-	483,564
Fundraising expenses	60,209	-	60,209
TOTAL EXPENSES	564,971	-	564,971
CHANGES IN NET ASSETS	291,128	410,357	701,485
NET ASSETS, BEGINNING	1,296,755	3,448,747	4,745,502
NET ASSETS, ENDING	$ 1,587,883	$ 3,859,104	$ 5,446,987

LAKE TAHOE COMMUNITY COLLEGE FOUNDATION
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	$ 338,636	$ 542,694	$ 881,330
Special events, net	131,761	1,000	132,761
Interest and dividends, net	1,509	93,931	95,440
In-kind donations	2,833	-	2,833
Assets released from restrictions	738,273	(738,273)	-
TOTAL SUPPORT AND REVENUE	1,213,012	(100,648)	1,112,364
EXPENSES			
Operating expenses	26,188	-	26,188
Program expenses	419,776	-	419,776
Fundraising expenses	170,502	-	170,502
TOTAL EXPENSES	616,466	-	616,466
CHANGES IN NET ASSETS	596,546	(100,648)	495,898
NET ASSETS, BEGINNING	700,209	3,549,395	4,249,604
NET ASSETS, ENDING	$ 1,296,755	$ 3,448,747	$ 4,745,502

LAKE TAHOE COMMUNITY COLLEGE FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Program	General and Administrative	Fundraising	Total
Awards	$ 5,816	$ -	$ -	$ 5,816
Events	19,912	-	-	19,912
Grants	39,613	-	-	39,613
Special Events	-	-	55,629	55,629
Fundraising	-	-	4,580	4,580
Program Support	215,274	-	-	215,274
Scholarships	196,674	-	-	196,674
Advertising & marketing	-	10,327	-	10,327
Printing and binding	-	5,763	-	5,763
Bank fees	-	4,301	-	4,301
Dues and subcriptions	-	-	-	-
Miscellaneous expenses	-	807	-	807
In-kind donations	6,275	-	-	6,275
Total	$ 483,564	$ 21,198	$ 60,209	$ 564,971

LAKE TAHOE COMMUNITY COLLEGE FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Program	General and Administrative	Fundraising	Total
Awards	$ 1,982	$ -	$ -	$ 1,982
Events	16,255	-	-	16,255
Grants	32,527	-	-	32,527
Special Events	-	-	165,037	165,037
Fundraising	-	-	5,465	5,465
Program Support	121,363	-	-	121,363
Scholarships	244,816	-	-	244,816
Advertising & marketing	-	10,141	-	10,141
Printing and binding	-	7,050	-	7,050
Bank fees	-	3,231	-	3,231
Dues and subcriptions	-	4,894	-	4,894
Miscellaneous expenses	-	872	-	872
In-kind donations	2,833	-	-	2,833
Total	$ 419,776	$ 26,188	$ 170,502	$ 616,466

LAKE TAHOE COMMUNITY COLLEGE FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 701,485	$ 495,898
Adjustments to reconcile changes in net assets		
to net cash provided by operating activties		
Changes in assets and liabilities		
Accounts receivable	3,121	(10,315)
Other current assets	192	7,042
Accounts payable	35,868	(43,708)
Deferred revenue	35,235	(1,642)
Net cash provided by operating activities	775,901	447,275
CASH FLOWS FROM FINANCING ACTIVITIES		
Provided/(Used) from sales and maturities of investments	(428,243)	(276,067)
Net cash used in financing activities	(428,243)	(276,067)
NET INCREASE IN CASH AND CASH EQUIVALENTS	347,658	171,208
CASH AND CASH EQUIVALENTS, BEGINNING	1,383,586	1,212,378
CASH AND CASH EQUIVALENTS, ENDING	$ 1,731,244	$ 1,383,586

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: Lake Tahoe Community College Foundation (the "Foundation") is a not-for-profit public benefit corporation organized to provide support to various programs and functions of Lake Tahoe Community College District (the "District" or "College"), as well as provide a link between the District and the community. The Foundation is considered a component unit of the District with the inclusion of the statements as a discretely presented component unit. The purpose of the Foundation is to accumulate funds to award scholarships and loans to assist students.

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation: The financial statements of the Foundation 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.

All donor-restricted contributions are recorded as increases in net assets with donor restrictions. When a restriction expires, either by the passage of time or the purpose is satisfied, the net assets with donor restriction are reclassified to net assets without donor restrictions and reported in the statements of activities as "net assets released from restrictions."

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restriction unless their use is restricted by explicit donor stipulation or by law. Possible expirations of net assets with donor restriction are (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Cash Equivalents: The Foundation considers all highly liquid investments with original maturity dates of three months or less as cash equivalents.

Investments: Investments in marketable securities are carried at fair value. Net change in the fair value of investments, which consists of realized gains or losses and the unrealized appreciation (depreciation) of those investments is reported in the statement of activities. Investment income, which consists of interest, dividends, realized gains or losses and the unrealized appreciation (depreciation) of those investments, is reported in the statement of activities. Investment income is accrued as earned. Security transactions are recorded on a trade date basis.

Accounts Receivable: The Foundation utilizes the allowance method of accounting for uncollectible accounts receivable. No allowance was necessary at June 30, 2024 and 2023. There was no bad debt expense as of June 30, 2024 and 2023.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts payable: Accounts payable are amounts owed to vendors or suppliers for services incurred for which payment is made in a timely manner and in full, from current financial resources.

Deferred Revenue: Deferred revenue arises when potential revenue does not meet the criteria for recognition in the current period and when resources are received by the Foundation prior to the incurrence of expenses. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the statements of financial position and revenue is 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.

Endowment Funds: The Foundation accounts for its endowments in accordance with *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and Enhanced Disclosures for All Endowment Funds* (ASC Topic 958-205). The Foundation's endowment currently consists of 9 individual funds established for the purpose of supporting education at the District. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation 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 classifies as net assets with donor restriction (a) the original value of gifts donated to the net assets with donor restriction endowment, (b) the original value of subsequent gifts to the net assets with donor restriction endowment, and (c) accumulations to the net assets with donor restriction endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as net assets without donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard prudence prescribed by UPMIFA.

The Foundation follows the Foundation's adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specific period(s) as well as board-designated funds.

The investment objective is to optimize earnings on all invested funds, while maintaining the preservation of capital. Risk will be minimized by investing in high quality investment instruments. To the extent that corporate obligations are purchased, those purchases will be diversified in terms of issuer and industry sector.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Foundation 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 Directors. 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 had no underwater endowment funds at June 30, 2024 and 2023.

Donations: Donations are recognized as revenues in the period received. Donations are considered available for net assets without donor restrictions use unless specifically restricted by the donor. Event revenues received in advance are deferred and recognized in the period the events occur.

Concentration of Credit Risk: Cash balances held in banks are insured up to $250,000 and are collateralized by the respective financial institution. The Foundation maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts. Management believes the Foundation is not exposed to any significant credit risk related to cash.

At June 30, 2024 and 2023, the Foundation had bank balances of $1,695,844 and $1,383,586 respectively. The total uninsured bank balances at June 30, 2024 and 2023 were $1,445,844 and $1,122,646, respectively.

Scholarships: The Foundation recognizes unconditional scholarships awarded when such awards are made if the amounts can be reasonably determined. Conditional scholarships awarded are recognized when the conditions on which they depend are substantially met.

Allocation of Functional Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Personnel costs and occupancy expenses are allocated based on time and effort. The financial statements also report categories of expenses that are attributed to program service activities or supporting services activities. These expenses are generally directly attributable to a functional category with no significant allocations between program service activities and supporting service activities occurring.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Status: The United States Treasury Department determined that the Foundation is a nonprofit tax-exempt corporation as defined by *Internal Revenue Code* Section 501(c)(3). A similar determination was made by the California Franchise Tax Board under Section 237 of the *State Revenue and Taxation Code*.

In 2003, the Foundation's Board of Directors approved the 501(h)-lobby election of the *Internal Revenue Code*. Such status provides the Foundation with the ability to participate in the public policy process through lobbying and advocacy campaigns but limits the Foundation's expenses for this purpose to a maximum of 20% of the first $500,000 of annual expenditures.

The Foundation has accounted for uncertainty in income taxes as required by the *Accounting for Uncertainty in Income Taxes* Topic of the FASB ASC. The Foundation uses a comprehensive model for recognizing, measuring, presenting and disclosing in the financial statements tax positions taken or expected to be taken on a tax return. A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. The effect of applying this model and the resulting identification of uncertain tax positions, if any, were not considered significant for financial reporting purposes. The Foundation is not subject to any tax liability. Management does not expect the total amount of unrecognized tax benefits to significantly change in the next 12 months.

The Foundation would recognize interest and penalties related to unrecognized tax benefits in tax expense. During the years ended June 30, 2024 and 2023, the Foundation did not recognize any interest or penalties. The Foundation is subject to the filing of U.S. Federal and California informational returns. Federal returns for 2020 through 2022 and California returns for 2019 through 2022 are currently open for potential Federal and State examination.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

NOTE 2 – 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.

	2024	2023
Financial assets, at year-end:		
Cash and cash equivalents	$ 1,731,244	$ 1,383,586
Accounts receivable	24,340	27,461
Investments	3,876,990	3,448,747
Total financial assets, at year-end	$ 5,632,574	$ 4,859,794
Restrictions for specific purposes:		
Donor designated	$ 3,859,104	$ 3,448,747
Total contractual or donor-imposed restrictions	3,859,104	3,448,747
Financial assets available to meet cash needs for general expenditure within one year	$ 1,773,470	$ 1,411,047

NOTE 3 – INVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Investments consist of the following at June 30:

	2024	2023
Bank Sweep	$ 15,887	$ 16,364
Fixed Income	-	153,446
Equity Securities	1,398,065	983,844
Exchange Traded Funds	661,741	939,552
Bond funds	1,785,311	1,340,306
Investment Foundation for California Community Colleges Scholarships Endowment (FCCC/Osher)	15,986	15,235
Total	$ 3,876,990	$ 3,448,747

The Foundation invests in a pooled scholarship endowment fund, FCCC/Osher, managed by the Foundation for California Community Colleges (FCCC). The objective of the Foundation's investment in FCCC/Osher is to grow the Foundation's investments through the Bernard Osher Foundation pledge to match funds contributed to FCCC/Osher. Funds invested in the endowment fund by the Foundation cannot be removed at any time. The investment managers engaged by FCCC are required to follow specific guidelines set forth by FCCC with respect to the various types of allowable investments purchased and held by the pool. Accordingly, the estimated fair value of these investments is based on information provided by external investment managers engaged by FCCC.

The following presents information about the Foundation's assets and liabilities measured at fair value on a recurring basis as of June 30, 2024 and 2023, and indicates the fair value hierarchy of the valuation techniques utilized by the Foundation to determine such fair value based on the hierarchy:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 – Significant other 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.

Level 3 – Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

As of June 30, 2024 and 2023, the carrying amounts of cash and cash equivalents and accounts payable approximate fair value because of the relatively short maturities of these financial instruments.

NOTE 3 – INVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The Foundation is required or permitted to record the following assets at fair value on a recurring basis:

	June 30, 2024			
	Fair Value	Level 1	Level 2	Level 3
Investment securities:				
Bank Sweep	$ 15,887	$ 15,887	$ -	$ -
Equity Securities	1,398,065	1,398,065	-	-
Exchange Traded Funds	661,741	661,741	-	-
Bond funds	1,785,311	1,785,311	-	-
Investment in FCCC/Osher*	15,986	-	-	15,986
Total investment securities	$ 3,876,990	$ 3,861,004	$ -	$ 15,986

	June 30, 2023			
	Fair Value	Level 1	Level 2	Level 3
Investment securities:				
Bank Sweep	$ 16,364	$ 16,364	$ -	$ -
Fixed Income	153,446	153,446	-	-
Equity Securities	983,844	983,844	-	-
Exchange Traded Funds	939,552	939,552	-	-
Bond funds	1,340,306	1,340,306	-	-
Investment in FCCC/Osher*	15,235	-	-	15,235
Total investment securities	$ 3,448,747	$ 3,433,512	$ -	$ 15,235

*Investments measured at fair value using net asset value ("NAVs") per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the hierarchy tables for such investments are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The Foundation used the following methods and significant assumptions to estimate fair value:

The fair value of the investments held by FCCC was based upon the NAVs of the assets at June 30, 2024 and 2023. The fair value of the funds held by FCCC is based upon the Foundation's proportionate share of the FCCC/Osher pooled investment portfolio. Foundation management reviews the valuations and returns in comparison to industry benchmarks and other information provided by FCCC, but there is currently no visibility provided by FCCC to the specific listing of underlying investment holdings.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although 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 fair value measurement at the reporting date.

NOTE 4 – NET ASSETS

Net assets with donor restrictions are restricted for the following purposes or periods.

Year Ended June 30,	2024	2023
Subject to expenditure for a specified purpose		
Scholarships	$ 278,482	$ 1,152,076
Educational purposes	3,582,522	2,281,436
Total	$ 3,861,004	$ 3,433,512
Endowments		
Subject to endowment spending policy and appropriation		
FCCC/Osher Scholarships	$ 15,986	$ 15,235
Scholarships	278,482	1,152,076
Educational purposes	3,582,522	2,281,436
Total Endowments	$ 3,876,990	$ 3,448,747

NOTE 5 – CONTRIBUTED NONFINANCIAL ASSETS

During the fiscal years ended June 30, 2024 and 2023, the Foundation received the following in-kind donations:

Description	2024	2023	Utilization in program/activities	Donor restrictions	Valuation techniques and inputs
Equipment & Supplies	$ 6,275	$ 2,833	Events & Raffles	Donor restrictions	Donated items are valued and are reported at the estimated fair value in the financial statements based on current rates for similar items.
Total	$ 6,275	$ 2,833			

NOTE 6 –ENDOWMENT

Changes in endowment net assets for the fiscal year ended June 30, consisted to the following:

Year Ended June 30, 2024	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Endowment net assets, beginning of year	$ -	$ 3,448,747	$ 3,448,747
Change in fair value of investments	-	326,164	326,164
Investment income	-	114,597	114,597
Contributions	-	5,018	5,018
Transfers and adjustments	-	(9,101)	(9,101)
Investment fees	-	(8,435)	(8,435)
Endowment net assets, end of year	$ -	$ 3,876,990	$ 3,876,990

Year Ended June 30, 2023	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Endowment net assets, beginning of year	$ -	$ 3,172,680	$ 3,172,680
Change in fair value of investments	-	91,984	91,984
Investment income	-	102,441	102,441
Contributions	-	97,474	97,474
Transfers and adjustments	-	(8,067)	(8,067)
Investment fees	-	(7,765)	(7,765)
Endowment net assets, end of year	$ -	$ 3,448,747	$ 3,448,747

NOTE 7 – SUBSEQUENT EVENTS

The Foundation evaluated all events or transactions that occurred from June 30, 2024, to December 9, 2024 the date the financial statements were available to be issued. No subsequent events occurred requiring accrual or disclosure.