

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

ANNUAL FINANCIAL REPORT

JUNE 30, 2016 AND 2015

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

JUNE 30, 2016 AND 2015

CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	
June 30, 2016 and 2015	3
Statements of Activities	
For the Years Ended June 30, 2016 and 2015	4
Statements of Cash Flows	
For the Years Ended June 30, 2016 and 2015	5
Statements of Functional Expenses	
For the Years Ended June 30, 2016 and 2015	6
Notes to Financial Statements.....	7



INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Santiago Canyon College Foundation
Orange, California

Report on the Financial Statements

We have audited the accompanying financial statements of Santiago Canyon College Foundation (the Foundation) (a California nonprofit corporation), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Santiago Canyon College Foundation as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows and functional expenses for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Varrinck, Trine, Day & Co., LLP

Rancho Cucamonga, California
December 5, 2016

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

STATEMENTS OF FINANCIAL POSITION
JUNE 30,

	2016	2015
ASSETS		
Current Assets		
Cash - unrestricted	\$ 163,199	\$ 82,319
Cash - restricted	146,819	179,993
Accounts receivable	1,300	3,466
Prepaid expenditures	12,891	12,140
Total Current Assets	324,209	277,918
Noncurrent Assets		
Investments - unrestricted	715,720	859,330
Investments - restricted	346,809	353,474
Assets held by others	94,792	94,792
Total Noncurrent Assets	1,157,321	1,307,596
Total Assets	\$ 1,481,530	\$ 1,585,514
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 23,289	\$ 33,088
NET ASSETS		
Unrestricted	870,551	921,825
Temporarily restricted	459,835	506,254
Permanently restricted	127,855	124,347
Total Net Assets	1,458,241	1,552,426
Total Liabilities and Net Assets	\$ 1,481,530	\$ 1,585,514

See the accompanying notes to financial statements.

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,

	2016			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
REVENUES				
Contributions	\$ 20,637	\$ 256,560	\$ -	\$ 277,197
Donated salaries and benefits	96,533	-	-	96,533
Special events	-	14,173	-	14,173
Miscellaneous revenue	37,196	2,959	-	40,155
Assets released from restrictions	430,037	(430,037)	-	-
Total Revenues	584,403	(156,345)	-	428,058
EXPENSES				
Operating expenses	88,407	-	-	88,407
Program expenses	387,904	-	-	387,904
Fundraising expenses	61,221	-	-	61,221
Total Expenses	537,532	-	-	537,532
OTHER INCOME (EXPENSE)				
Realized gain (loss) on sale of investments	16,226	(465)	-	15,761
Unrealized gain (loss) on investments	(5,977)	(47,345)	21,003	(32,319)
Interest and dividends	19,388	12,459	-	31,847
Transfers	(127,782)	145,277	(17,495)	-
Total Other Income (Expense)	(98,145)	109,926	3,508	15,289
CHANGE IN NET ASSETS	(51,274)	(46,419)	3,508	(94,185)
NET ASSETS, BEGINNING OF YEAR	921,825	506,254	124,347	1,552,426
NET ASSETS, END OF YEAR	\$ 870,551	\$ 459,835	\$ 127,855	\$ 1,458,241

See the accompanying notes to financial statements.

2015

Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 11,425	\$ 172,092	\$ -	\$ 183,517
161,486	-	-	161,486
-	33,535	-	33,535
18,111	-	-	18,111
222,928	(222,928)	-	-
<u>413,950</u>	<u>(17,301)</u>	<u>-</u>	<u>396,649</u>
101,363	-	-	101,363
388,257	-	-	388,257
50,490	-	-	50,490
<u>540,110</u>	<u>-</u>	<u>-</u>	<u>540,110</u>
28	(875)	-	(847)
(55,455)	(35,981)	(48,288)	(139,724)
26,929	40,112	-	67,041
(4,600)	(42,932)	47,532	-
<u>(33,098)</u>	<u>(39,676)</u>	<u>(756)</u>	<u>(73,530)</u>
(159,258)	(56,977)	(756)	(216,991)
1,081,083	563,231	125,103	1,769,417
<u>\$ 921,825</u>	<u>\$ 506,254</u>	<u>\$ 124,347</u>	<u>\$ 1,552,426</u>

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (94,185)	\$ (216,991)
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities		
Contributions restricted for long-term purposes	(256,560)	(172,092)
Unrealized loss	32,319	139,724
Changes in Assets and Liabilities		
(Increase) Decrease in accounts receivable	2,166	(3,466)
Increase in prepaid expenditures	(751)	(11,140)
Decrease in accounts payable	(9,799)	(15,076)
Net Cash Flows From Operating Activities	(326,810)	(279,041)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	494,124	314,270
Purchase of investments	(376,168)	(408,141)
Decrease in restricted cash and cash equivalents	33,174	50,697
Net Cash Flows From Investing Activities	151,130	(43,174)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Collections of contributions restricted for long-term purposes	256,560	172,092
 CHANGE IN UNRESTRICTED CASH AND CASH EQUIVALENTS	80,880	(150,123)
UNRESTRICTED CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	82,319	232,442
UNRESTRICTED CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 163,199	\$ 82,319
 NONCASH TRANSACTIONS		
Donated salaries and benefits	\$ 96,533	\$ 161,486

See the accompanying notes to financial statements.

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30,

	2016			
	Operating	Program	Fundraising	Total
Donated salaries and benefits	\$ 33,227	\$ 41,853	\$ 21,453	\$ 96,533
Scholarships	-	235,033	-	235,033
Program expenses	10,944	4,950	-	15,894
Salaries and benefits	-	86,644	-	86,644
Capital improvement and equipment	-	5,344	-	5,344
Conferences and travel	3,171	9,992	-	13,163
Dues, memberships, and subscriptions	1,000	-	-	1,000
Public relations and advertising	2,125	-	-	2,125
Postage and printing	1,871	-	-	1,871
Investment expenses	-	-	-	-
Contracted services	-	-	22,273	22,273
Special events	-	-	-	-
Supplies	4,542	781	-	5,323
Foundation services	14,239	-	-	14,239
Special project hold account	-	-	-	-
Miscellaneous	17,288	3,307	17,495	38,090
TOTAL EXPENSES	\$ 88,407	\$ 387,904	\$ 61,221	\$ 537,532

See the accompanying notes to financial statements.

2015

Operating	Program	Fundraising	Total
\$ 48,445	\$ 96,892	\$ 16,149	\$ 161,486
-	180,726	-	180,726
-	12,304	-	12,304
-	82,527	-	82,527
-	-	-	-
15,743	-	-	15,743
700	-	-	700
-	-	2,000	2,000
-	-	1,498	1,498
2,586	-	-	2,586
16,893	-	-	16,893
-	-	21,882	21,882
4,267	2,019	-	6,286
-	11,000	-	11,000
-	2,789	-	2,789
12,729	-	8,961	21,690
<u>\$ 101,363</u>	<u>\$ 388,257</u>	<u>\$ 50,490</u>	<u>\$ 540,110</u>

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Santiago Canyon College Foundation (the Foundation) is a nonprofit organization founded on May 12, 1998, for the purpose of receiving contributions for the support and advancement of education on behalf of Santiago Canyon College (the District). The primary purpose of the Foundation is to assist in the institutional development and encourage community support to the District.

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 is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows. As permitted by the statement, 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.

Fair Value Measurements

The fair value of equity and debt securities with readily determinable fair values approximates their respective quoted market prices. The fair value of investments in partnerships and real estate held as investments is estimated using private valuations of the securities or properties held. Because of the inherent uncertainty of valuation methods, those estimated values might differ significantly from those used had a market existed. All other financial instruments' fair values approximate their carrying amounts due to the short maturities of these instruments.

Public Support and Revenue

The Foundation receives substantially all of its revenue from direct donations, pledges, and corporate grants. Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Realized gains/losses and unrealized gains/losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as assets released from restriction between the applicable classes of net assets.

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the time of the gift.

Comparative Financial Information

Comparative financial information for the prior year has been presented for additional analysis. Certain reclassifications may have been made to conform with the current year presentation.

Donated Assets, Services, and Facilities

The Foundation records the value of donated assets and facilities when there is an objective basis available to measure their value. Donated facilities are reflected as support in the accompanying statements at their estimated values at date of donation and fair market value of facilities for the year. Donated assets are capitalized at the stated donated value and depreciated in accordance with Foundation policies, unless they are passed through to the District.

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 reported amounts of assets and liabilities at the reporting date, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Foundation is a non-profit public benefit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation and qualifies for deductible contributions as provided in Section 170(b) (A) (vi). It is also exempt from State franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been reflected in these financial statements. The Foundation's Federal informational tax returns for the years ended June 30, 2013, 2014, and 2015, are open to audit by the Federal authorities. California State informational returns for the years ended June 30, 2012, 2013, 2014, and 2015, are open to audit by State authorities.

The Foundation 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.

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

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 Foundation maintains cash balances in financial institutions which are insured up to \$250,000. At June 30, 2016 and 2015, the Foundation did not have any cash balances held in financial institutions in excess of Federal depository insurance coverage.

For purposes of the statement of cash flows, the Foundation considers all unrestricted highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values are presented at their fair values in the statements 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 unrestricted net assets 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.

Functional Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, based upon management's estimates, certain costs have been allocated among the programs, support services, and fundraising activities.

NOTE 2 - RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at June 30:

	2016	2015
Scholarships	\$ 400,056	\$ 439,092
Student assistance	59,779	67,162
Total Temporarily Restricted Net Assets	\$ 459,835	\$ 506,254

Permanently restricted net assets consist of the following at June 30:

	2016	2015
Scholarships and programs for the District	\$ 33,063	29,555
Assets held by others	94,792	94,792
Total Permanently Restricted Net Assets	\$ 127,855	\$ 124,347

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 3 - DONATED SERVICES

During the year, many individuals, District staff, and administrators donate significant amounts of time and services to the Foundation in an effort to advance the programs and objectives of the Foundation. Donated services are reflected in the accompanying statements when the criteria for recognition have been met and are recorded at fair value. Donated services include the value of Foundation services paid for salaries and benefits by the District. These services were valued at \$96,533 and \$161,486, respectively, for the June 30, 2016 and 2015, fiscal years, and are recognized in the financial statements as donation revenue and an operating expense.

NOTE 4 - INVESTMENTS

Investments are presented at fair value in the financial statements and are composed of the following at June 30, 2016 and 2015:

2016	Adjusted Cost	Fair Market Value	Unrealized Loss
Corporate bonds	\$ 13,038	\$ 12,653	\$ (385)
Government bonds	103,477	100,422	(3,055)
Common stock	334,099	324,236	(9,863)
Preferred stock	10,638	10,324	(314)
CDs and mutual funds	633,596	614,894	(18,702)
Total	<u>\$ 1,094,848</u>	<u>\$ 1,062,529</u>	<u>\$ (32,319)</u>
2015	Adjusted Cost	Fair Market Value	Unrealized Loss
Corporate bonds	\$ 11,611	\$ 12,389	\$ (1,427)
Government bonds	98,020	104,584	(12,049)
Common stock	356,365	380,228	(43,805)
Preferred stock	9,590	10,232	(1,179)
CDs and mutual funds	661,102	705,371	(81,264)
Total	<u>\$ 1,136,688</u>	<u>\$ 1,212,804</u>	<u>\$ (139,724)</u>

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended June 30:

	2016	2015
Realized gain (loss) on investments, net	\$ 15,761	\$ (847)
Unrealized loss on investments, net	(32,319)	(139,724)
Interest and dividends	31,847	67,041
Total Investment Income	15,289	(73,530)
Investment expenses	-	(2,586)
Total Investment Income, Net of Expenses	\$ 15,289	\$ (76,116)

NOTE 5 - INVESTMENT SECURITIES

Market Value of Financial Assets and Liabilities

The Foundation determines the fair market values of certain financial instruments based on the fair value hierarchy established in Statement of Financial Accounting Standards, *Fair Value Measurements*, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes 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 assets 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 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or 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.

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

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, 2016. The Foundation did not have any liabilities measured at fair value on a recurring basis as of June 30, 2016.

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Assets			
Corporate bonds	\$ 12,653	\$ -	\$ 12,653
Government bonds	100,422	-	100,422
Common stock	324,236	-	324,236
Preferred stock	10,324	-	10,324
CDs and mutual funds	-	614,894	614,894
Total	<u>\$ 447,635</u>	<u>\$ 614,894</u>	<u>\$ 1,062,529</u>

The following table presents the balances of the assets measured at fair value on a recurring basis as of June 30, 2015. The Foundation did not have any liabilities measured at fair value on a recurring basis as of June 30, 2015.

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Assets			
Corporate bonds	\$ 12,389	\$ -	\$ 12,389
Government bonds	104,584	-	104,584
Common stock	380,228	-	380,228
Preferred stock	10,232	-	10,232
CDs and mutual funds	-	705,371	705,371
Total	<u>\$ 507,433</u>	<u>\$ 705,371</u>	<u>\$ 1,212,804</u>

NOTE 6 - OSHER ENDOWMENT SCHOLARSHIP

The Foundation for California Community Colleges (FCCC) has created a permanent endowment fund intended to provide scholarship support to California Community College students in perpetuity. The fund began in May 2008 with a \$25 million lead gift from The Bernard Osher Foundation. The Bernard Osher Foundation will provide scholarship matching funds annually to colleges that participate. In order to take advantage of this opportunity, the College and its donors have contributed \$94,792. As of June 30, 2016 and 2015, the ending balance of the Osher Endowment Scholarship was \$94,792. The Foundation receives no additional interest or dividends on the balance held at the FCCC and does not participate in the investment management of the funds. All donations to the FCCC Osher Endowment Scholarship must remain in the fund permanently and cannot be returned or used for other purposes.

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 7 - TRANSFERS BETWEEN FUNDS

During the year ended June 30, 2016, management reviewed original donor instructions and determined that various donations in the amount of \$17,495 had been classified incorrectly, and transfers were made to properly move them to the correct fund.

NOTE 8 - DONOR DESIGNATED ENDOWMENTS

Endowment net asset composition by type of fund as of June 30, 2016, is as follows:

	Temporarily Restricted	Permanently Restricted	Total Net Endowment Funds
Donor-restricted endowment funds	<u>\$ 459,835</u>	<u>\$ 127,855</u>	<u>\$ 587,690</u>

Changes in endowment net assets as of June 30, 2016, are as follows:

	Temporarily Restricted	Permanently Restricted	Total Net Endowment Funds
Endowment net assets, beginning of year	\$ 506,254	\$ 124,347	\$ 630,601
Net Change	(192,495)	21,003	(171,492)
Transfers	146,076	(17,495)	128,581
Endowment net assets, end of year	<u>\$ 459,835</u>	<u>\$ 127,855</u>	<u>\$ 587,690</u>

Endowment net asset composition by type of fund as of June 30, 2015, is as follows:

	Temporarily Restricted	Permanently Restricted	Total Net Endowment Funds
Donor-restricted endowment funds	<u>\$ 506,254</u>	<u>\$ 124,347</u>	<u>\$ 630,601</u>

Changes in endowment net assets as of June 30, 2015, are as follows:

	Temporarily Restricted	Permanently Restricted	Total Net Endowment Funds
Endowment net assets, beginning of year	\$ 563,231	\$ 125,103	\$ 688,334
Net Change	(32,156)	(48,288)	(80,444)
Transfers	(24,821)	47,532	22,711
Endowment net assets, end of year	<u>\$ 506,254</u>	<u>\$ 124,347</u>	<u>\$ 630,601</u>

SANTIAGO CANYON COLLEGE FOUNDATION
(A California Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 9 - UNREALIZED GAIN AND LOSS DISTRIBUTION

In 2016 and 2015, the Foundation posted unrealized gain (loss) and dividend distributions for their endowed funds to unrealized gain (loss) holding accounts in unrestricted matching funds in the amounts of \$3,315 and \$4,131, respectively. As the accounts in unrestricted funds gain credit balances, the holding balance is transferred back to temporarily restricted funds. Their use of the holding accounts is to prevent the temporarily restricted funds from spending unrealized monies.

NOTE 10 - SUBSEQUENT EVENTS

The Foundation'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 December 5, 2016, 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.