

Lee College Foundation, Inc.
Financial Statements
August 31, 2022 and 2021
(With Independent Auditor's Report Thereon)



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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Lee College Foundation, Inc.:

Opinion

We have audited the financial statements of Lee College Foundation Inc., (the "Foundation") which comprise the statements of financial position as of August 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of August 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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 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 after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 Institute's ability to continue as a going concern for a reasonable period of time.

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

Jaynes, Reitzmeier, Boyd & Threlwell, P.C.

December 5, 2022

Lee College Foundation, Inc.

Statements of Financial Position

August 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 4,092,317	2,444,146
Contributions receivable	-	3,975
Prepaid expenses	5,935	4,325
Investments	<u>12,226,406</u>	<u>14,523,725</u>
	<u>\$ 16,324,658</u>	<u>16,976,171</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 2,320	59,499
Due to affiliated organization	471,040	-
Deferred revenue	53,975	-
Funds held for the benefit of others	<u>1,500</u>	<u>51,980</u>
Total liabilities	<u>528,835</u>	<u>111,479</u>
Net assets:		
Without donor restrictions:		
Board designated	122,871	109,155
Unrestricted	<u>768,986</u>	<u>601,621</u>
Total without donor restrictions	<u>891,857</u>	<u>710,776</u>
With donor restrictions:		
Purpose restriction	1,309,647	1,132,645
Perpetual in nature	8,705,527	7,550,440
Accumulated investment gains available for spending policy	<u>4,888,792</u>	<u>7,470,831</u>
Total with donor restrictions	<u>14,903,966</u>	<u>16,153,916</u>
Total net assets	<u>15,795,823</u>	<u>16,864,692</u>
	<u>\$ 16,324,658</u>	<u>16,976,171</u>

See accompanying notes to financial statements.

Lee College Foundation, Inc.

Statement of Activities

Year Ended August 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and other support:			
Contributions	\$ 377,887	1,788,843	2,166,730
Special events, net of fund-raising expenses of \$23,006	97,152	-	97,152
Net investment income (loss)	132,627	(2,068,610)	(1,935,983)
Net assets released from restrictions	<u>970,183</u>	<u>(970,183)</u>	<u>-</u>
Total revenue and other support	<u>1,577,849</u>	<u>(1,249,950)</u>	<u>327,899</u>
Expenses:			
Program expenses:			
Scholarships	798,476	-	798,476
Capital facilities assistance	117,747	-	117,747
Emergency assistance	<u>59,825</u>	<u>-</u>	<u>59,825</u>
Total program expenses	976,048	-	976,048
Management and general	<u>420,720</u>	<u>-</u>	<u>420,720</u>
Total expenses	<u>1,396,768</u>	<u>-</u>	<u>1,396,768</u>
Change in net assets	181,081	(1,249,950)	(1,068,869)
Net assets at beginning of year	<u>710,776</u>	<u>16,153,916</u>	<u>16,864,692</u>
Net assets at end of year	<u>\$ 891,857</u>	<u>14,903,966</u>	<u>15,795,823</u>

See accompanying notes to financial statements.

Lee College Foundation, Inc.

Statement of Activities

Year Ended August 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and other support:			
Contributions	\$ 428,947	567,833	996,780
Net investment income	147,663	2,543,343	2,691,006
Net assets released from restrictions	834,455	(834,455)	-
	<u>1,411,065</u>	<u>2,276,721</u>	<u>3,687,786</u>
Expenses:			
Program expenses:			
Scholarships	794,356	-	794,356
Capital facilities assistance	10,000	-	10,000
Emergency assistance	30,099	-	30,099
Total program expenses	<u>834,455</u>	<u>-</u>	<u>834,455</u>
Management and general	<u>354,800</u>	<u>-</u>	<u>354,800</u>
	<u>1,189,255</u>	<u>-</u>	<u>1,189,255</u>
Change in net assets	221,810	2,276,721	2,498,531
Net assets at beginning of year	<u>488,966</u>	<u>13,877,195</u>	<u>14,366,161</u>
Net assets at end of year	<u>\$ 710,776</u>	<u>16,153,916</u>	<u>16,864,692</u>

See accompanying notes to financial statements.

Lee College Foundation, Inc.
Statements of Functional Expenses
Years Ended August 31, 2022 and 2021

	Year Ended August 31, 2022				Total
	Program Services		Supporting Services		
	Scholarships and Capital Facilities Assistance	Emergency Assistance	Management and General	Fund- raising	
Scholarships	\$ 798,476	-	-	-	798,476
Capital facilities assistance	117,747	-	-	-	117,747
Emergency assistance	-	59,825	-	-	59,825
Contract services	-	-	10,940	-	10,940
Insurance	-	-	3,076	-	3,076
Dancing For Our Stars	-	-	-	23,006	23,006
In-kind expenses	-	-	385,837	-	385,837
Other	-	-	20,867	-	20,867
	916,223	59,825	420,720	23,006	1,419,774
Total expense by function					
Less expenses included in revenues	-	-	-	(23,006)	(23,006)
	\$ 916,223	59,825	420,720	-	1,396,768

	Year Ended August 31, 2021			
	Program Services		Supporting Services	
	Scholarships and Capital Facilities Assistance	Emergency Assistance	Management and General	Total
Scholarships	\$ 794,356	-	-	794,356
Capital facilities assistance	10,000	-	-	10,000
Emergency assistance	-	30,099	-	30,099
Contract services	-	-	10,874	10,874
Insurance	-	-	2,524	2,524
In-kind expenses	-	-	336,640	336,640
Other	-	-	4,762	4,762
	804,356	30,099	354,800	1,189,255
	\$ 804,356	30,099	354,800	1,189,255

See accompanying notes to financial statements.

Lee College Foundation, Inc.

Statements of Cash Flows

Years Ended August 31, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (1,068,869)	2,498,531
Adjustments to reconcile change in net assets to net cash provided by (used in) operations:		
Cash contributions restricted for endowment	(1,155,087)	(139,683)
Net investment losses (gains)	1,907,210	(2,735,233)
Changes in operating assets and liabilities:		
Contributions receivable	3,975	(3,875)
Prepaid expenses	(1,610)	(4,325)
Accounts payable	(57,179)	41,670
Due to affiliated organization	471,040	-
Deferred revenue	53,975	-
Funds held for the benefit of others	(50,480)	44,932
Net cash provided by (used in) operating activities	102,975	(297,983)
Cash flows from investing activities:		
Proceeds from sales of investments	390,109	481,336
Net cash provided by investing activities	390,109	481,336
Cash flows from financing activities:		
Proceeds from contributions restricted for endowment	1,155,087	139,683
Net cash provided by financing activities	1,155,087	139,683
Net increase in cash and cash equivalents	1,648,171	323,036
Cash and cash equivalents at beginning of year	2,444,146	2,121,110
Cash and cash equivalents at end of year	\$ 4,092,317	2,444,146

See accompanying notes to financial statements.

Lee College Foundation, Inc.

Notes to Financial Statements

August 31, 2022 and 2021

(1) Summary of Significant Accounting Policies and Practices(a) Organization and Nature of Activities

Lee College Foundation, Inc. (the “Foundation”) was created to solicit and receive support for purposes of developing and extending the facilities of Lee College District (the “District”) and enhancing the educational opportunities of residents in the geographical area the District serves. The Foundation receives a significant portion of its revenue through contributions from individuals and businesses in the District’s service area. The Foundation is governed by a 25 member board of directors, which includes three appointed District regents.

(b) 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 (“GAAP”). The Financial Accounting Standards Board (“FASB”) has established the Accounting Standards Codification (“ASC”) as the source of authoritative accounting principles to be applied in the preparation of financial statements in accordance with GAAP.

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

- *Net Assets Without Donor Restrictions* – these net assets are available for general use and not subject to donor restrictions and may be used at the discretion of the Board of Directors.
- *Net Assets With Donor Restrictions* – these net assets represent contributions that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met either by actions of the Foundation and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity with the earnings to be spent on scholarships for students of the District.

Donor restricted contributions and unrealized gains and losses are reported as increases and decreases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Lee College Foundation, Inc.Notes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies and Practices (continued)(c) Revenues and Expenses

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets or are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restriction and reported in the statements of activities as net assets released from restrictions.

The Foundation reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

(d) Cash and Cash Equivalents

The Foundation considers all highly-liquid investments purchased with an original maturity of three months or less and money market accounts to be cash equivalents. The Foundation had \$2,487,256 and \$1,580,979 in cash equivalents at August 31, 2022 and 2021, respectively.

(e) Investments

Investments are measured at their fair value in the accompanying statements of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for further discussion of fair value measurements.

Net investment income (loss) (including gains and losses on investments, interest, and dividends) is included in the statement of activities as increases or decreases in net assets with or without donor restrictions based upon the nature and restrictions of the underlying assets.

Lee College Foundation, Inc.Notes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies and Practices (continued)(f) Income Taxes

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is generally not subject to federal income tax.

The Foundation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs. The Foundation records interest and penalties related to unrecognized tax benefits in management and general expenses.

(g) Fair Value Measurements

The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Foundation determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

(h) Functional Allocation of Expenses

The costs of providing various program and supporting services have been summarized on a functional basis in the statements of activities and the statements of functional expenses. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among

Lee College Foundation, Inc.

Notes to Financial Statements
(Continued)

(1) Summary of Significant Accounting Policies and Practices (continued)

(h) Functional Allocation of Expenses

the programs and supporting services benefited. Such allocation are determined by management on an equitable basis that is consistently applied.

(i) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates include the fair value of investments. Actual results could differ from those estimates.

(j) Reclassifications

Certain reclassifications have been made to prior year amounts to make them comparable with those of the current year.

(2) Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position date are comprised of the following at August 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 4,092,317	2,444,146
Contributions receivable	-	3,975
Investments	<u>12,226,406</u>	<u>14,523,725</u>
	16,318,723	16,971,846
Less amounts not available to be used within one year:		
Amounts with donor purpose restrictions	(1,309,647)	(1,132,645)
Amounts held in perpetuity	(8,705,527)	(7,550,440)
Amounts held for benefit of others	(1,500)	(51,980)
Board designated net assets for scholarships and purpose to be determined	<u>(122,871)</u>	<u>(109,155)</u>
	<u>\$ 6,179,178</u>	<u>8,127,626</u>

Lee College Foundation, Inc.

Notes to Financial Statements
(Continued)

(2) Liquidity and Availability (continued)

As described in Note 4, the Foundation's endowments, which are used to fund scholarships, are subject to an annual spending rate, which is 5% of the funds' average monthly market value over the preceding 36 months for the year ended August 31, 2022 and 2021. As of August 31, 2022, a spendable amount of \$692,000 has been designated by the Board from these endowments for the next twelve months.

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, it invests cash in excess of daily requirements in deposit and money market accounts. Although the Foundation does not intend to spend from their endowment (other than amounts appropriated per the board's annual spending rate approval), these amounts could be made available if necessary.

(3) Investments and Fair Value Hierarchy

Investments at August 31, 2022 and 2021 consisted of the following:

	<u>2022</u>	<u>2021</u>
Funds of management investment company:		
Multi-strategy equity fund	\$ 9,327,059	11,226,691
Multi-strategy bond fund	<u>2,899,347</u>	<u>3,297,034</u>
	<u>\$ 12,226,406</u>	<u>14,523,725</u>

The fair values of the investments as of August 31, 2022 and 2021 represent the amounts that would be received to sell those assets in an orderly transaction between market participants at that date. Those fair value measurements maximize the use of observable inputs. However, in situations where there is little, if any, market activity at the measurement date, the fair value measurement reflects the Foundation's own judgments about the assumptions that market participants would use in pricing the asset.

Those judgments are developed by the Foundation based on the best information available in the circumstances, including expected cash flows and appropriately risk-adjusted discount rates available and observable and unobservable inputs.

The fair value of investments is estimated using the net asset value of shares held by the Foundation at year-end as a practical expedient.

Lee College Foundation, Inc.Notes to Financial Statements
(Continued)(3) Investments and Fair Value Hierarchy (continued)

The funds of a management investment company (the Multi-Strategy Equity Fund and Multi-Strategy Bond Fund) are investments in the Common Fund for Nonprofit Organizations (“Commonfund”), a tax-exempt membership corporation that pools endowment funds for the exclusive benefit of eligible educational institutions. The investment objectives of the Multi-Strategy Equity Fund is to add value over long time periods above the return of the U.S. equity market as measured by the S&P 500 Index with similar risk characteristics. The Multi-Strategy Equity Fund is invested principally in a diversified portfolio of marketable common stocks and other marketable equity type investments including, but not limited to, convertible bonds, convertible preferred stocks, and warrants. The investment objectives of the Multi-Strategy Bond Fund is to add value above the return of the broad U.S. bond market over a full market cycle, as measured by the Barclays Capital U.S. Aggregate Bond Index with similar characteristics providing broad exposure to global debt markets. The Multi-Strategy Bond Fund is invested principally in, but not limited to, obligations of or guaranteed by the U.S. government and its agencies, debt securities rated Baa or better by Moody’s or BBB or better by Standard and Poor’s, and obligations of or guaranteed by national or state banks or bank holding companies which are rated A or better by Fitch Investors Services. Redemption provisions vary by fund but are typically either monthly or quarterly. However, the funds have the ability to impose a suspension or postponement of redemptions on the payment of a portion of redemption proceeds until the annual audited financial statements of the funds are distributed. In some cases, the funds may also limit redemptions to month-end or quarter-end, and require 10 to 60 days advance written notice. There are no unfunded commitments related to these investments.

(4) Endowments

The Foundation’s net assets with donor restrictions at August 31, 2022 and 2021 consisted of donor-restricted endowment funds that have been established for scholarships and capital facilities and other assistance. As required by professional standards, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Explicit donor stipulations define amounts that may be expended for each of the Foundation’s endowments. As a result, the Foundation classifies as donor restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations (decrements) to the permanent endowment made in accordance with the direction of the applicable donor gift instrument.

Lee College Foundation, Inc.

Notes to Financial Statements
(Continued)

(4) Endowments (continued)

The Foundation has adopted an investment policy for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Under this policy, the endowment assets must be invested in a conservative manner. Earnings are added to the endowment funds until such time as they are released to be expended on scholarships in accordance with the Foundation's spending policy.

Following is a summary of the changes to the endowment funds for the years ended August 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
	With Donor Restrictions	With Donor Restrictions
Balance, beginning of year	\$ 16,153,916	13,877,195
Contributions	1,788,843	567,833
Interest and dividends	16,150	519
Net investment gains (losses)	(2,039,837)	2,587,570
Investment fees	(44,923)	(44,746)
Scholarships, capital facilities assistance, and other assistance awarded	<u>(970,183)</u>	<u>(834,455)</u>
Balance, end of year	<u>\$ 14,903,966</u>	<u>16,153,916</u>

(5) Net Assets Without Donor Restrictions – Board Designated

Net assets without donor restrictions designated by the Board for the following purposes at August 31, 2022 and 2021 consists of:

	<u>2022</u>	<u>2021</u>
Marjorie Eastwood Estate - use to be determined at a later date	\$ 112,971	99,255
Kids at College - Scholarship	<u>9,900</u>	<u>9,900</u>
	<u>\$ 122,871</u>	<u>109,155</u>

Lee College Foundation, Inc.

Notes to Financial Statements
(Continued)

(6) Net Assets With Donor Restrictions - Purpose Restriction

Net assets with donor restrictions that are restricted as to a purpose are available for the following specific programs at August 31, 2022 and 2021:

	2022	2021
Scholarships	\$ 700,504	606,712
Facilities	266,482	384,229
Basic needs	342,561	141,704
Other	100	-
	\$ 1,309,647	1,132,645

(7) Net Assets With Donor Restrictions – Perpetual in Nature

Net assets with donor restrictions that are restricted as perpetual in nature at August 31, 2022 and 2021 consist of various endowment funds to be held in perpetuity, the income of which is available to be spent in accordance with the Foundation's spending policy as described in Note 2. Income generated from these funds are recorded as net assets with donor restrictions until released to be spent on scholarships.

(8) Net Investment Income (Loss)

Net investment income (loss) is comprised of the following for the years ended August 31, 2022 and 2021:

	2022	2021
Interest and dividends	\$ 16,150	519
Net investment gains (losses)	(1,907,210)	2,735,233
Investment fees	(44,923)	(44,746)
	\$ (1,935,983)	2,691,006

Lee College Foundation, Inc.

Notes to Financial Statements
(Continued)

(9) In-Kind Contributions

The District provides administrative personnel and general office services to the Foundation at no cost. These services, substantially all of which are related to management and general activities, are reflected in the accompanying financial statements at the cost recognized by the District for the personnel providing those services. Below is a summary of these contributions for the year ended August 31, 2022 and 2021:

	2022	2021
Salaries and benefits	\$ 344,989	258,249
General office expense	5,500	5,000
Software	29,057	56,553
Rent and utilities	5,850	5,850
	\$ 385,396	325,652

(10) Concentrations of Credit and Market Risk

Financial instruments that potentially expose the Foundation to significant concentrations of credit and market risk consist primarily of cash and cash equivalents and investments.

At August 31, 2022 and 2021, and at various times during the years, the balance of deposits at a financial institution exceeded the amount of federal deposit insurance coverage.

Investment diversification can subject the Foundation to risk arising from such factors as interest rate fluctuations, credit deterioration, market fluctuations and changes in regulatory and political policy which can result in actual losses or inadequate investment returns. Management believes the Foundation's investments do not represent significant concentrations of market risk, and the possibility of significant adverse impact upon the financial condition of the Foundation arising from such risk is remote.

(11) Subsequent Events

The Foundation has evaluated subsequent events from the date of the statements of financial position through December 5, 2022, the date at which the financial statements were available to be issued, and determined there are no items to disclose.