

Illinois Valley Community College Foundation

Auditor's report as of
June 30, 2021
and
June 30, 2020

ILLINOIS VALLEY COMMUNITY COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and cash equivalents (Notes 2, 3)	\$ 522,070	\$ 816,253
Investments (Note 2)	8,100,591	6,340,450
Accrued income receivable	9,649	7,486
Prepaid expenses	-	750
Pledges receivable (Note 4)	4,000	10,000
Indian artifacts	10,015	10,015
	\$ 8,646,325	\$ 7,184,954
TOTAL ASSETS		
LIABILITIES		
Accounts and credit card payable (Note 5)	\$ 21,307	\$ 209,660
	\$ 21,307	\$ 209,660
TOTAL LIABILITIES		
NET ASSETS		
Without donor restrictions	\$ 1,657,786	\$ 1,404,872
With donor restrictions	6,967,232	5,570,422
	\$ 8,625,018	\$ 6,975,294
TOTAL NET ASSETS		
TOTAL LIABILITIES AND NET ASSETS		
	\$ 8,646,325	\$ 7,184,954

The accompanying Notes to Financial Statements are an
integral part of these statements.

ILLINOIS VALLEY COMMUNITY COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
For the year ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT & REVENUE			
Contributions		442,052	442,052
Contributed services	45,684	-	45,684
In-kind donation	7,209	-	7,209
Fundraising event	62,018	-	62,018
Investment income (Sch 2)	121,133	410,385	531,518
Unrealized gains	224,341	898,253	1,122,594
Net assets released	353,880	(353,880)	-
TOTAL SUPPORT	\$ 814,265	\$ 1,396,810	\$ 2,211,075
EXPENSES			
Program Services			
Scholarships awarded	\$ 354,625	-	\$ 354,625
Tuition assistance awards	12,883	-	12,883
Faculty assistance	19,885	-	19,885
Student assistance	11,580	-	11,580
Total Program Services	\$ 398,973	\$ -	\$ 398,973
Management and General (Sch 3)	\$ 162,378	\$ -	\$ 162,378
TOTAL EXPENSES	\$ 561,351	\$ -	\$ 561,351
INCREASE IN NET ASSETS	\$ 252,914	\$ 1,396,810	\$ 1,649,724
BEGINNING NET ASSETS	\$ 1,404,872	\$ 5,570,422	\$ 6,975,294
ENDING NET ASSETS	\$ 1,657,786	\$ 6,967,232	\$ 8,625,018

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integral part of these statements.

ILLINOIS VALLEY COMMUNITY COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
For the year ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT & REVENUE			
Contributions	51,620	557,339	608,959
Contributed services	44,397	-	44,397
In-kind donation	7,209	-	7,209
Fundraising event	57,607	-	57,607
Investment income (Sch 2)	15,633	207,479	223,112
Unrealized gains	17,506	32,014	49,520
Net assets released	340,344	(340,344)	-
TOTAL SUPPORT	\$ 534,316	\$ 456,488	\$ 990,804
EXPENSES			
Program Services			
Scholarships awarded	\$ 333,531	-	\$ 333,531
Tuition assistance awards	26,043	-	26,043
Faculty assistance	15,100	-	15,100
Student assistance	7,387	-	7,387
CTC project	168,300	-	168,300
Total Program Services	\$ 550,361	\$ -	\$ 550,361
Management and General (Sch 3)	\$ 161,944	\$ -	\$ 161,944
TOTAL EXPENSES	\$ 712,305	\$ -	\$ 712,305
INC/(DEC) IN NET ASSETS	\$ (177,989)	\$ 456,488	\$ 278,499
BEGINNING NET ASSETS	\$ 1,582,861	\$ 5,113,934	\$ 6,696,795
ENDING NET ASSETS	\$ 1,404,872	\$ 5,570,422	\$ 6,975,294

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ILLINOIS VALLEY COMMUNITY COLLEGE FOUNDATION

STATEMENT OF CASH FLOWS

Years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,649,724	\$ 278,499
Adjustments to reconcile change in net assets to net cash		
Contributions of Stock	-	(25,752)
Realized (gain) on investments	(425,625)	(94,177)
Unrealized (gain) on investments	(1,122,594)	(49,520)
Decrease in pledges receivable	6,000	7,000
(Increase) Decrease in accrued income	(2,162)	2,580
Decrease (Increase) in prepaid assets	750	(750)
(Dec)/Inc in accounts payable	(188,353)	186,039
NET CASH (USED)/PROVIDED BY OPERATING ACTIVITIES	<u>\$ (82,260)</u>	<u>\$ 303,919</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of securities	\$ (2,335,827)	\$ (1,777,389)
Proceeds from sale of securities	2,146,234	1,562,665
Dividends reinvested	(1,698)	(2,146)
Interest reinvested	(20,632)	(20,122)
NET CASH (USED) BY INVESTING ACTIVITIES	<u>\$ (211,923)</u>	<u>\$ (236,992)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	\$ (294,183)	\$ 66,927
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>\$ 816,253</u>	<u>\$ 749,326</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 522,070</u>	<u>\$ 816,253</u>

The accompanying Notes to Financial Statements are an
integral part of these statements.

ILLINOIS VALLEY COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 ORGANIZATION AND PURPOSE

The Illinois Valley Community College Foundation (the Foundation) is a legally separate, tax-exempt, component unit of Illinois Valley Community College (the College). The purpose of the Foundation is to advance education through scholarships to deserving and well-qualified IVCC students and to provide financial support for worthy and innovative IVCC educational programs and services, which may include augmenting the College facilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- Financial Statement Presentation
- Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:
- Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.
- Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

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.

Fiscal Year

The Foundation has a fiscal year ending on June 30 for both book and tax purposes. The results of activities as shown in the accompanying financial statements are for the years ended June 30, 2021 and June 30, 2020.

Cash and Equivalents

Cash consists of cash on deposit with financial institutions.

Investments

All invested funds are stated at fair market value. Certificates of Deposit are stated at cost, which approximates market value.

Income Taxes

The Foundation has received an exemption from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation files an annual information return, which is available for public inspection, with the Internal Revenue Service.

The Foundation is a non-profit Illinois corporation and is exempt from filing an annual information return with the Attorney General of the State of Illinois.

Estimates

The preparation of the 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 these estimates.

NOTE 3 CONCENTRATIONS OF CREDIT RISK

The Foundation maintains cash balances at several local financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Foundation's uninsured cash balances totaled \$432,070 at June 30, 2021 and \$765,400 at June 30, 2020.

NOTE 4 PLEDGES RECEIVABLE

The Foundation has adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, whereby contributions received are recorded as with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The balance of pledges receivables for the Scholarship campaign is \$4,000 at June 30, 2021 and \$10,000 at June 30, 2020.

No discount to present value or allowance for doubtful accounts has been recorded because the current interest rate and time period of discount renders an insignificant amount to present value discount. The limited number of future pledges and experience with the donors indicate that the pledges are fully collectible.

NOTE 5 RELATED PARTY TRANSACTIONS

The Foundation operates within the facilities of the College, and reimburses the College for incidental office supplies and for the wages and benefits of the Foundation Secretary and Assistant.

RELATED PARTY TRANSACTIONS (continued)

The Foundation receives the following from the College at no cost:

- 25% of the wages and benefits of Director (Fran Brolley), valued at \$31,473 for the year ended June 30, 2021 and \$30,173 for the year ended June 30, 2020.
- 7% of the wages and benefits of Controller (Kathy Ross), valued at \$8,055 for the year ended June 30, 2021 and 10%, valued at \$11,193 for the year ended June 30, 2020.
- 10% of the wages and benefits for Staff Accountant (Ashley Gonzales), value at \$6,155 for the year ended June 30, 2021 and 5% valued at \$3,030 for the year ended June 30, 2020.
- Use of office space, office furniture, and equipment, valued at \$7,209 for the year ended June 30, 2021 and \$7,209 for the year ended June 30, 2020.

The total amount due to the College for reimbursement of wages and benefits is \$19,387 at June 30, 2021 and \$39,280 at June 30, 2020.

NOTE 6 INVESTMENT FEES

Hometown National Bank administers the fees charged on the Agency (1.5%) and Scholarship (.5%) accounts. The fees are based on fair market value. The total fees for the fiscal years ended June 30, 2021 and 2020 are \$90,510 and \$93,997, respectively.

NOTE 7 DEFICIENCY IN DONOR-RESTRICTED ENDOWMENT FUNDS

At June 30, 2021 there are 4 funds for which the initial restriction exceeds the year-end value by a total of \$26,943. The deficiency at June 30, 2020 was \$12,018 across 2 funds. The deficiencies are due to withdrawals outpacing investment earnings and market value fluctuation.

NOTE 8 FAIR VALUE MEASURE

Generally accepted accounting principles define fair value, establish a framework for measuring fair value, and establish a fair value hierarchy that prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transactions between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the assets or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

Valuation techniques used to measure fair value are prioritized into the following hierarchy:

- Level 1 inputs are quoted prices in active markets for identical assets. Assets in this level typically include publicly traded equities, mutual fund investments, cash equivalents, and listed derivatives.
- Level 2 inputs are quoted prices for similar assets in active or inactive markets, or inputs derived from observable market data. Assets in this level include patronage stock in local grain cooperatives and farmland.
- Level 3 are unobservable inputs that reflect management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available.)

Note 9 ENDOWMENT FUNDS

The Foundation's endowment consists of 139 individual funds for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Boards of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors for function as endowments are classified and reported on the existence or absence of donor-imposed restrictions.

Investment income generated by the Foundation's endowment funds is used for the benefit of the Foundation and accordingly, investment losses are recognized in the Foundations net assets without restrictions.

The endowment net asset composition by type of fund as of June 30, 2021 is as follows:

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Donor-restricted endowment funds	\$1,657,786	\$6,967,232	\$8,625,018
Board designated endowment funds	-0-	-0-	-0-
Totals	<u>\$1,657,786</u>	<u>\$6,967,232</u>	<u>\$8,625,018</u>
Beginning endowment net assets	\$1,404,872	\$5,570,422	\$6,975,294
Contributions	369,681	2,542,039	2,911,720
Investment return, net	345,474	1,337,209	1,682,683
Appropriation of endowment assets for expenditure	(462,241)	(2,482,438)	(2,944,679)
Ending endowment net assets	<u>\$1,657,786</u>	<u>\$6,967,232</u>	<u>\$8,625,018</u>

Note 10 OFFICERS AND TRUSTEES

President	Dr. Susan Schmitt
Vice President	James Loveland
Secretary	Donna Swiskoski
Assistant/Alumni Coordinator	Janice Corrigan
Treasurer	Daryk Brayton
IVCC President	Dr. Jerry Corcoran
Director Community Relations and Development	Fran Brolley

Directors

- John Cantlin
- Evan Carroll
- J. David Conterio
- Peter Corgiat
- Larry Johnson
- Karen Nussbaum
- Dr. Kim Novak
- Patricia Seibert
- Julie Sloan
- O.J. Stoutner
- Kim Zavada
- Dr. Francis Zeller

NOTE 11 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2021</u>	<u>2020</u>
Financial assets		
At year-end	\$8,632,310	\$7,164,189
Less those unavailable for general expenditures, within one year, due to:		
Donor-restrictions	<u>6,963,232</u>	<u>5,560,422</u>
Financial assets to meet cash needs for general expenditures within one year	<u>\$1,669,078</u>	<u>\$1,603,767</u>

NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

Scholarship endowments	\$ 6,037,150
Tuition assistance fund	661,886
Community Technology Center fund	185,607
Walter "Durley" and Hazel Marie Boyle estate	4,298
Ag Complex	<u>78,291</u>
Total net assets with donor restrictions	<u>\$ 6,967,232</u>

Scholarship endowments

These restricted funds include approximately 139 donor-created scholarship endowments that are invested and managed by the Foundation. The donor specifies the criteria for the scholarship award.

Tuition assistance fund

These restricted funds are for tuition assistance awards. 3% of these funds can be used each year for tuition assistance awards to students based on criteria established by the College's financial aid office.

Community Technology Center fund

This fund is restricted to enhancements within the College's Community Technology Center such as instructional equipment and software.

Walter "Durley" and Hazel Marie Boyle estate

This bequest is restricted to building construction or the extension and alteration of existing buildings of the College. During the last two fiscal years, these funds have been utilized for enhancements within the College's Cultural Centre.

Agriculture Complex fund

This fund is restricted to construction of the 6,000 square foot storage and maintenance facility, as well as a center for classrooms and lab facilities.

NOTE 13 SUBSEQUENT EVENTS

We have evaluated subsequent events through September 29, 2021 the date which financial statements are available to be issued.

ILLINOIS VALLEY COMMUNITY COLLEGE FOUNDATION
 DETAIL SCHEDULE OF CASH AND INVESTMENTS
 JUNE 30, 2021 and 2020

CASH	2021	2020
CTC Project money market	\$ 25,607	\$ 152,954
Hometown agency money market	304,174	416,270
Hometown checking	180,271	174,359
Scholarship Campaign money market	8,517	65,037
Boyle Estate money market	133	853
Hometown Ag Complex money market	3,368	6,780
 TOTAL CASH	 \$ 522,070	 \$ 816,253
 INVESTMENTS		
Hometown agency investments	\$ 6,325,708	\$ 4,785,131
Ponti Estate annuities	708,360	687,729
Scholarship Campaign investments	681,020	503,847
Boyle Estate investments	4,165	3,018
Ag complex investments	74,923	53,893
CTC Project CD's	160,000	200,000
Black Rock investments	146,415	106,832
 TOTAL INVESTMENTS	 \$ 8,100,591	 \$ 6,340,450

The accompanying Notes to Financial Statements are an
 integral part of these statements.

ILLINOIS VALLEY COMMUNITY COLLEGE FOUNDATION
SCHEDULE TO THE STATEMENT OF ACTIVITIES
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
INVESTMENT INCOME, NET OF FEES		
Interest	\$ 49,292	\$ 50,260
Dividends and capital gains	78,313	88,323
Realized gains	<u>403,913</u>	<u>84,529</u>
TOTAL INVESTMENT INCOME, NET	<u>\$ 531,518</u>	<u>\$ 223,112</u>

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ILLINOIS VALLEY COMMUNITY COLLEGE FOUNDATION
 SCHEDULE TO THE STATEMENT OF ACTIVITIES
 Years Ended June 30, 2021 and 2020

MANAGEMENT AND GENERAL EXPENSES	2021	2020
Salaries and benefits	\$ 133,491	\$ 125,355
Office space	7,209	7,209
Professional fees	6,696	6,050
Software	6,127	6,079
Operating supplies	4,236	8,155
Recognition events	3,592	7,752
Bank and processing fees	567	647
Insurance	460	460
Fees, meetings, travel, misc.	-	213
Foreign taxes	-	24
	\$ 162,378	\$ 161,944
TOTAL MANAGEMENT AND GENERAL EXPENSES		

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