

Galveston College Foundation

Financial Statements
and Independent Auditors' Report
for the years ended August 31, 2023 and 2022

Galveston College Foundation

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Independent Auditors' Report

To the Board of Directors of
Galveston College Foundation:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Galveston College Foundation, which comprise the statements of financial position as of August 31, 2023 and 2022, and the related statements of activities, of functional expenses, and of 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 Galveston College Foundation as of August 31, 2023 and 2022, 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. 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 Galveston College 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 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 Galveston College Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 auditors' 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 generally accepted auditing

standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Galveston College 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 Galveston College Foundation'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. Supplementary information in the supplemental statement of financial position by fund as of August 31, 2023 with summarized information as of August 31, 2022 and in the supplemental statement of activities by fund for the year ended August 31, 2023 with summarized information for the year ended August 31, 2022 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in our audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Blazek & Vetterling

January 25, 2024

Galveston College Foundation

Statements of Financial Position as of August 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$ 10,757	\$ 2,635,763
Contributions receivable for capital campaign and endowments <i>(Note 3)</i>	273,205	2,759,456
Investments <i>(Note 4)</i>	<u>23,838,568</u>	<u>17,456,334</u>
TOTAL ASSETS	<u>\$ 24,122,530</u>	<u>\$ 22,851,553</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable to the College	\$ 1,130	\$ 48,733
Accounts payable to others		4,860
Refundable advance		<u>21,200</u>
Total liabilities	<u>1,130</u>	<u>74,793</u>
Net assets:		
Without donor restrictions	153,736	161,088
With donor restrictions <i>(Notes 6 and 7)</i>	<u>23,967,664</u>	<u>22,615,672</u>
Total net assets	<u>24,121,400</u>	<u>22,776,760</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 24,122,530</u>	<u>\$ 22,851,553</u>

See accompanying notes to financial statements.

Galveston College Foundation

Statement of Activities for the year ended August 31, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE:			
Contributions:			
Financial assets	\$ 250	\$ 450,509	\$ 450,759
Nonfinancial assets:			
Program supplies	13,895		13,895
Services provided by the College	<u>63,333</u>		<u>63,333</u>
Total revenue	<u>77,478</u>	<u>450,509</u>	<u>527,987</u>
EXPENSES:			
Program services:			
Universal Access scholarship grants	270,766		270,766
College scholarship grants	73,421		73,421
Program administration	<u>34,201</u>		<u>34,201</u>
Total program services	378,388		378,388
Management and general	67,063		67,063
Fundraising	<u>25,665</u>		<u>25,665</u>
Total expenses	<u>471,116</u>		<u>471,116</u>
OTHER INCREASES (DECREASES):			
Net investment return <i>(Note 4)</i>	9,997	1,277,772	1,287,769
Net assets released from restrictions	<u>376,289</u>	<u>(376,289)</u>	
Total other increases	<u>386,286</u>	<u>901,483</u>	<u>1,287,769</u>
CHANGES IN NET ASSETS	(7,352)	1,351,992	1,344,640
Net assets, beginning of year	<u>161,088</u>	<u>22,615,672</u>	<u>22,776,760</u>
Net assets, end of year	<u>\$ 153,736</u>	<u>\$ 23,967,664</u>	<u>\$ 24,121,400</u>

See accompanying notes to financial statements.

Galveston College Foundation

Statement of Activities for the year ended August 31, 2022

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE:			
Contributions:			
Financial assets	\$ 750	\$ 5,627,416	\$ 5,628,166
Nonfinancial assets – services provided by the College	<u>69,722</u>	<u> </u>	<u>69,722</u>
Total revenue	<u>70,472</u>	<u>5,627,416</u>	<u>5,697,888</u>
EXPENSES:			
Program services:			
Universal Access scholarship grants	225,638		225,638
College scholarship grants	63,490		63,490
Program administration	<u>24,292</u>		<u>24,292</u>
Total program services	313,420		313,420
Management and general	62,615		62,615
Fundraising	<u>27,209</u>		<u>27,209</u>
Total expenses	<u>403,244</u>		<u>403,244</u>
OTHER INCREASES (DECREASES):			
Net investment return (<i>Note 4</i>)	(26,208)	(2,892,385)	(2,918,593)
Net assets released from restrictions	<u>327,847</u>	<u>(327,847)</u>	<u> </u>
Total other increases (decreases)	<u>301,639</u>	<u>(3,220,232)</u>	<u>(2,918,593)</u>
CHANGES IN NET ASSETS	(31,133)	2,407,184	2,376,051
Net assets, beginning of year	<u>192,221</u>	<u>20,208,488</u>	<u>20,400,709</u>
Net assets, end of year	<u>\$ 161,088</u>	<u>\$ 22,615,672</u>	<u>\$ 22,776,760</u>

See accompanying notes to financial statements.

Galveston College Foundation

Statements of Functional Expenses for the years ended August 31, 2023 and 2022

<u>EXPENSES</u>	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	<u>2023 TOTAL</u>
Grants awarded:				
Universal Access scholarship grants	\$ 270,766			\$ 270,766
College scholarship grants	73,421			73,421
Professional services	17,224	\$ 63,333	\$ 18,085	98,642
Occupancy and other costs	<u>16,977</u>	<u>3,730</u>	<u>7,580</u>	<u>28,287</u>
Total expenses	<u>\$ 378,388</u>	<u>\$ 67,063</u>	<u>\$ 25,665</u>	<u>\$ 471,116</u>

<u>EXPENSES</u>	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	<u>2022 TOTAL</u>
Grants awarded:				
Universal Access scholarship grants	\$ 225,638			\$ 225,638
College scholarship grants	63,490			63,490
Professional services	21,197	\$ 58,040	\$ 22,020	101,257
Occupancy and other costs	<u>3,095</u>	<u>4,575</u>	<u>5,189</u>	<u>12,859</u>
Total expenses	<u>\$ 313,420</u>	<u>\$ 62,615</u>	<u>\$ 27,209</u>	<u>\$ 403,244</u>

See accompanying notes to financial statements.

Galveston College Foundation

Statements of Cash Flows for the years ended August 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 1,344,640	\$ 2,376,051
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Contributions restricted for endowment	(357,967)	(2,790,494)
Contributions restricted for capital campaign	(92,542)	(2,756,300)
Net realized and unrealized (gain) loss on investments	(616,551)	3,812,588
Changes in operating assets and liabilities:		
Contributions receivable		(6,509)
Accounts payable	(73,663)	28,396
Refundable advance		21,200
Net cash provided by operating activities	<u>203,917</u>	<u>684,932</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(19,336,843)	(2,265,525)
Proceeds from sales and maturities of investments	13,753,574	1,769,693
Change in money market mutual funds held as investments	<u>(182,414)</u>	<u>(402,595)</u>
Net cash used by investing activities	<u>(5,765,683)</u>	<u>(898,427)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from contributions restricted for endowment	348,128	219,961
Proceeds from contributions restricted for capital campaign	<u>2,588,632</u>	<u>2,601,300</u>
Net cash provided by financing activities	<u>2,936,760</u>	<u>2,821,261</u>
NET CHANGE IN CASH	(2,625,006)	2,607,766
Cash, beginning of year	<u>2,635,763</u>	<u>27,997</u>
Cash, end of year	<u>\$ 10,757</u>	<u>\$ 2,635,763</u>

See accompanying notes to financial statements.

Galveston College Foundation

Notes to Financial Statements for the years ended August 31, 2023 and 2022

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization – Galveston College Foundation (the Foundation) is a nonprofit organization chartered under the laws of the State of Texas. The Foundation has been formed to generate philanthropic support for the Galveston Community College District (the College) with a primary emphasis on the Universal Access program. The Universal Access program is to provide scholarships to graduates of Galveston, Texas high schools, thereby encouraging universal access to higher education. In addition to Universal Access, the Foundation solicits, invests, and manages funds to support educational activities of the College.

The Foundation is managed by a Board of Directors (the Board) of no less than three and no more than twenty-one. The President of the College and the Executive Director of the Foundation serve as ex-officio members of the Board. The remainder of the Board is elected by a majority of the quorum of the Directors then serving.

Federal income tax status – The Foundation is exempt from federal income tax under §501(c)(3) of the Internal Revenue Code and is classified as a public charity under §509(a)(1) and §170(b)(1)(A)(vi).

Investments are reported at fair value. Net investment return consists of interest and dividends, realized and unrealized gains and losses, net of external and direct internal investment expenses.

Net asset classification – Net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions, as follows:

- *Net assets without donor restrictions* are not subject to donor-imposed restrictions even though their use may be limited in other respects such as by contract or board designation.
- *Net assets with donor restrictions* are subject to donor-imposed restrictions. Restrictions may be temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor, or may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets are released from restrictions when the stipulated time has elapsed, or purpose has been fulfilled, or both. Donor-restricted endowment earnings are released when those earnings are appropriated in accordance with spending policies and are used for the stipulated purpose.

Contributions of financial assets are recognized at fair value when an unconditional commitment is received from the donor. Contributions received with donor stipulations that limit their use are classified as *with donor restrictions*. Contributions receivable that are expected to be collected within one year are reported at net realizable value, while amounts expected to be collected in future years are discounted, if material, to the present value of their estimated future cash flows. An allowance for uncollectible receivables is provided when it is believed balances may not be collected in full. Conditional contributions are subject to one or more barriers that must be overcome before the Foundation is entitled to receive or retain funding. Conditional contributions are recognized as revenue at fair value when the conditions have been met. Contributions received before conditions have been met are reported as refundable advances.

Nonfinancial contributions – Contributions of nonfinancial assets are recognized as revenue at fair value when an unconditional commitment is received from the donor. The related expense is recognized as the contributed asset is used. Contributions of services received from personnel of an affiliate are recognized as revenue and expenses at the estimated cost of those services when the services are provided. Contributions of other services are recognized as revenue at fair value when those services create or enhance nonfinancial assets, require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Grants awarded are recognized as expense when the Foundation approves an unconditional commitment to a recipient. Conditional grants awarded are recognized as expense when all conditions have been met and the Foundation has an obligation to transfer the award to the recipient.

Functional allocation of expenses – Expenses are reported by their functional classification. Program services are the direct conduct or supervision of activities that fulfill the purposes for which the organization exists. Fundraising activities include the solicitation of contributions of money, securities, materials, facilities, other assets, and time. Management and general activities are not directly identifiable with specific program or fundraising activities. Expenses that are attributable to more than one activity are allocated among the activities benefitted. Professional services are allocated on the basis of estimated time and effort expended in each activity. Occupancy costs are allocated based on estimated square footage used for each activity.

Estimates – Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the reported amounts of revenue and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

NOTE 2 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Foundation’s financial assets are invested for long-term appreciation and current income for the purpose of providing scholarships to qualified students and support for the educational activities of the College. The Foundation has financial assets of \$24.1 million at August 31, 2023 and \$22.9 million at August 31, 2022, most of which are subject to donor restrictions and prudent spending policies. The Foundation’s general expenditures consist of grants and operating costs. The Foundation makes financial assets available to fund its general expenditures, as needed.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

Contributions receivable at August 31, 2023 are due to be collected as follows:

Less than one year	\$ 144,682
One to five years	<u>128,523</u>
Total contributions receivable	<u>\$ 273,205</u>

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Generally accepted accounting principles require that certain assets and liabilities be reported at fair value and establish a hierarchy that prioritizes inputs used to measure fair value. 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. The three levels of the fair value hierarchy are as follows:

- *Level 1* – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the reporting date.
- *Level 2* – Inputs are other than quoted prices included in Level 1, which are either directly observable or can be derived from or corroborated by observable market data at the reporting date.
- *Level 3* – Inputs are not observable and are based on the reporting entity’s assumptions about the inputs market participants would use in pricing the asset or liability. The Foundation held no assets or liabilities measured using Level 3 inputs at August 31, 2023 or 2022.

Assets measured at fair value at August 31, 2023 are as follows:

	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>TOTAL</u>
Investments:			
Common stock:			
Domestic	\$ 8,066,064		\$ 8,066,064
International	68,114		68,114
Mutual funds:			
Domestic equity	3,796,819		3,796,819
Domestic fixed income	2,126,874		2,126,874
Money market mutual funds	1,499,383		1,499,383
International equity	1,371,392		1,371,392
Corporate bonds		<u>\$ 6,909,922</u>	<u>6,909,922</u>
Total assets measured at fair value	<u>\$ 16,928,646</u>	<u>\$ 6,909,922</u>	<u>\$ 23,838,568</u>

Assets measured at fair value at August 31, 2022 are as follows:

	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>TOTAL</u>
Investments:			
Mutual funds:			
Domestic equity	\$ 9,408,764		\$ 9,408,764
Domestic fixed income	5,471,420		5,471,420
Money market mutual funds	1,316,969		1,316,969
International equity	1,065,923		1,065,923
International fixed income	<u>193,258</u>		<u>193,258</u>
Total assets measured at fair value	<u>\$ 17,456,334</u>	<u>\$ 0</u>	<u>\$ 17,456,334</u>

Valuation methods used for assets measured at fair value are as follows:

- *Common stock* is valued at the closing price reported on the active market on which the individual securities are traded.
- *Mutual funds* are valued at the reported net asset value of shares held at year end.
- *Corporate bonds* are valued using prices obtained from independent quotation bureaus that use computerized valuation formulas which may include market-corroborated inputs for credit risk factors, interest rate and yield curves and broker quotes to calculate fair values.

These valuation methods may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

Investments are exposed to various risks such as interest rate, market, and credit risks. Because of these risks, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and statement of activities.

Net investment return comprises the following:

	<u>2023</u>	<u>2022</u>
Interest, dividends, and capital gain distributions	\$ 788,897	\$ 1,014,150
Net realized and unrealized (loss) gain	616,551	(3,812,588)
External investment management	<u>(117,679)</u>	<u>(120,155)</u>
Net investment return	<u>\$ 1,287,769</u>	<u>\$ (2,918,593)</u>

NOTE 5 – RELATED PARTY TRANSACTIONS

The College provides employees and office services for the Foundation. The estimated cost of these services to the College is recognized as a contribution and as expenses of the Foundation. The Foundation recognized contributions and expenses of \$63,333 and \$69,722 in 2023 and 2022, respectively, for these services. Grants awarded for scholarships are paid to the College for distribution to individual students.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted as follows:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for specified purpose:		
Health Sciences Education Center construction	\$ 2,834,593	\$ 2,756,300
Endowment funds subject to spending policy and appropriation:		
Universal Access	10,041,882	9,666,961
Universal Access (non-tuition)	4,237,820	3,968,625
Foundation managed scholarships	2,892,965	2,493,704
Health Science Education Center	2,626,035	2,500,000
Title V – Institutional Advancement	1,157,247	1,073,483
Other	<u>177,122</u>	<u>156,599</u>
Total net assets with donor restrictions	<u>\$ 23,967,664</u>	<u>\$ 22,615,672</u>

NOTE 7 – ENDOWMENT

The Foundation’s endowment consists of donor-restricted funds established to provide scholarships and to support the College. Donor-restricted endowment funds are maintained in accordance with explicit donor stipulations and are subject to the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA). In the absence of explicit donor stipulations, TUPMIFA provides guidelines about what constitutes prudent spending and explicitly requires consideration of preservation of the fund. The Board has interpreted TUPMIFA as requiring a focus on the entirety of donor-restricted endowment funds, including original contribution amounts and net appreciation, allowing the Foundation to appropriate for expenditure or to accumulate as much of an endowment fund as considered prudent for the uses, benefits, purposes, and duration for which the fund was established, subject to explicit donor stipulations.

As a result of this interpretation, the Foundation classifies contributions specified as a perpetual endowment plus any donor-stipulated accumulations as *net assets with donor restrictions* required to be maintained in perpetuity. This amount is not reduced by investment losses or by appropriation and spending. Contributions not specified as a perpetual endowment and undistributed net investment return also are classified as *net assets with donor restrictions* until appropriated in accordance with spending policies and used for the stipulated purpose, if any.

An endowment fund is *underwater* if the fair value of the fund’s investments falls below the amount required to be maintained in perpetuity because of declines in the fair value of investments and/or continued appropriation and spending in accordance with prudent spending policies. There were no such deficiencies at August 31, 2023 or 2022.

Changes in the donor-restricted endowment fund are as follows:

	<u>WITH DONOR RESTRICTIONS</u>		
	<u>NOT REQUIRED TO BE MAINTAINED IN PERPETUITY</u>	<u>REQUIRED TO BE MAINTAINED IN PERPETUITY</u>	<u>TOTAL</u>
Endowment net assets, August 31, 2021	\$ 9,217,755	\$ 10,990,733	\$ 20,208,488
Contributions	80,621	2,790,494	2,871,115
Net investment return	(2,892,384)		(2,892,384)
Appropriation for grants awarded and other costs	<u>(327,847)</u>	<u> </u>	<u>(327,847)</u>
Endowment net assets, August 31, 2022	6,078,145	13,781,227	19,859,372
Contributions	213,138	144,829	357,967
Net investment return	1,292,021		1,292,021
Appropriation for grants awarded and other costs	<u>(376,289)</u>	<u> </u>	<u>(376,289)</u>
Endowment net assets, August 31, 2023	<u>\$ 7,207,015</u>	<u>\$ 13,926,056</u>	<u>\$ 21,133,071</u>

Investment Return Objectives and Spending Policies

The primary investment objective of the Foundation is to preserve and enhance the purchasing power of the endowment assets. Accordingly, the Foundation seeks a long-term rate of return on investments that will grow its assets by an amount sufficient to offset inflation, required minimum distributions and expenses, over a full market cycle, while maintaining sufficient liquidity to meet obligations arising from

planned grants. The Board may retain, monitor, and terminate the Investment Advisors, and approves the terms upon which the Investment Advisors invest Foundation assets.

For Universal Access scholarships, distributions of up to 5% may be approved on an annual basis based upon the average market value of the investments as of December 31 of the preceding three years. For managed college scholarships, distributions are determined based on student need and availability of scholarship funds. The Finance Committee determines the amount to be distributed annually and determines the use of the funds, subject to approval by the Board.

The Foundation's endowment includes a donor-restricted term endowment to support the institutional advancement of the College. Earnings are distributed to the College at the Board's discretion. When the term expires in 2027, the original contributions of \$700,000 may also be distributed at the Board's discretion.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 25, 2024, which is the date that the financial statements were available for issuance. As a result of this evaluation, no events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.

Galveston College Foundation

Supplemental Statement of Financial Position by Fund as of August 31, 2023 with summarized information as of August 31, 2022

	UNIVERSAL ACCESS	UNIVERSAL ACCESS NON-TUITION EDUCATIONAL EXPENSES	TITLE V	FOUNDATION MANAGED SCHOLARSHIPS	HEALTH SCIENCE ENDOWMENT	CAPITAL CAMPAIGN	OTHER FUNDS	2023 TOTAL	2022 TOTAL
ASSETS									
Cash	\$ 7,125			\$ 3,632				\$ 10,757	\$ 2,635,763
Contributions receivable	2,000			112,295		\$ 158,910		273,205	2,759,456
Interfund receivable (payable)	6,380	\$ 133,856	\$ (12,488)		\$ (12)	(51)	\$ (127,685)		
Investments	<u>10,026,377</u>	<u>4,103,964</u>	<u>1,169,735</u>	<u>2,777,038</u>	<u>2,626,047</u>	<u>2,675,734</u>	<u>459,673</u>	<u>23,838,568</u>	<u>17,456,334</u>
TOTAL ASSETS	<u>\$ 10,041,882</u>	<u>\$ 4,237,820</u>	<u>\$ 1,157,247</u>	<u>\$ 2,892,965</u>	<u>\$ 2,626,035</u>	<u>\$ 2,834,593</u>	<u>\$ 331,988</u>	<u>\$ 24,122,530</u>	<u>\$ 22,851,553</u>
LIABILITIES AND NET ASSETS									
Liabilities:									
Accounts payable and other							\$ 1,130	\$ 1,130	\$ 74,793
Net assets:									
Without donor restrictions							153,736	153,736	161,088
With donor restrictions	<u>\$ 10,041,882</u>	<u>\$ 4,237,820</u>	<u>\$ 1,157,247</u>	<u>\$ 2,892,965</u>	<u>\$ 2,626,035</u>	<u>\$ 2,834,593</u>	<u>177,122</u>	<u>23,967,664</u>	<u>22,615,672</u>
Total net assets	<u>10,041,882</u>	<u>4,237,820</u>	<u>1,157,247</u>	<u>2,892,965</u>	<u>2,626,035</u>	<u>2,834,593</u>	<u>330,858</u>	<u>24,121,400</u>	<u>22,776,760</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,041,882</u>	<u>\$ 4,237,820</u>	<u>\$ 1,157,247</u>	<u>\$ 2,892,965</u>	<u>\$ 2,626,035</u>	<u>\$ 2,834,593</u>	<u>\$ 331,988</u>	<u>\$ 24,122,530</u>	<u>\$ 22,851,553</u>

Galveston College Foundation

Supplemental Statement of Activities by Fund for the year ended August 31, 2023 with summarized information for the year ended August 31, 2022

	UNIVERSAL ACCESS	UNIVERSAL ACCESS NON-TUITION EDUCATIONAL EXPENSES	TITLE V	FOUNDATION MANAGED SCHOLARSHIPS	HEALTH SCIENCE ENDOWMENT	CAPITAL CAMPAIGN	OTHER FUNDS	2023 TOTAL	2022 TOTAL
REVENUE:									
Contributions:									
Financial assets	\$ 1,201	\$ 43,627		\$ 303,139		\$ 92,542	\$ 10,250	\$ 450,759	\$ 5,628,166
Nonfinancial assets – program supplies							13,895	13,895	
Services provided by the College							63,333	63,333	69,722
Total revenue	<u>1,201</u>	<u>43,627</u>		<u>303,139</u>		<u>92,542</u>	<u>87,478</u>	<u>527,987</u>	<u>5,697,888</u>
EXPENSES:									
Universal Access scholarship grants	234,894	35,872						270,766	225,638
College scholarship grants				73,171			250	73,421	63,490
Operating expenses	<u>21,099</u>	<u>8,660</u>	<u>\$ 2,343</u>				<u>94,827</u>	<u>126,929</u>	<u>114,116</u>
Total expenses	<u>255,993</u>	<u>44,532</u>	<u>2,343</u>	<u>73,171</u>			<u>95,077</u>	<u>471,116</u>	<u>403,244</u>
OTHER INCREASES (DECREASES):									
Net investment return	<u>629,713</u>	<u>270,100</u>	<u>86,107</u>	<u>169,293</u>	<u>\$ 126,035</u>	<u>(14,249)</u>	<u>20,770</u>	<u>1,287,769</u>	<u>(2,918,593)</u>
CHANGES IN NET ASSETS	374,921	269,195	83,764	399,261	126,035	78,293	13,171	1,344,640	2,376,051
Net assets, beginning of year	<u>9,666,961</u>	<u>3,968,625</u>	<u>1,073,483</u>	<u>2,493,704</u>	<u>2,500,000</u>	<u>2,756,300</u>	<u>317,687</u>	<u>22,776,760</u>	<u>20,400,709</u>
Net assets, end of year	<u>\$ 10,041,882</u>	<u>\$ 4,237,820</u>	<u>\$ 1,157,247</u>	<u>\$ 2,892,965</u>	<u>\$ 2,626,035</u>	<u>\$ 2,834,593</u>	<u>\$ 330,858</u>	<u>\$ 24,121,400</u>	<u>\$ 22,776,760</u>