



# Wisconsin Indianhead Technical College Foundation, Inc. (A Nonprofit Organization)

Financial Statements

Years Ended June 30, 2021 and 2020

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# Wisconsin Indianhead Technical College Foundation, Inc. (A Nonprofit Organization)

## Financial Statements

Years Ended June 30, 2021 and 2020

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## **Independent Auditor's Report**

Board of Directors  
Wisconsin Indianhead Technical College Foundation, Inc.  
Shell Lake, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Wisconsin Indianhead Technical College Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows 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; 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. Those standards require that we plan and perform the audit 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 entity'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 entity'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 Wisconsin Indianhead Technical College Foundation, Inc. as of June 30, 2021 and 2020, and the changes in its net asset and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

## Emphasis of Matter

As discussed in Note 1 to the financial statements, Wisconsin Indianhead Technical College Foundation, Inc. (A Nonprofit Organization) adopted the amendments in Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* as of and for the year ended June 30, 2021. Our opinion is not modified with respect to this matter.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

October 28, 2021  
Eau Claire, Wisconsin

**Wisconsin Indianhead Technical College Foundation, Inc.**  
**(A Nonprofit Organization)**  
**Statements of Financial Position**

June 30, 2021 and 2020

<i>Assets</i>	<b>2021</b>	<b>2020</b>
Current assets:		
Cash and cash equivalents	\$ 241,690	\$ 67,074
Accounts receivable	8,195	8,623
Prepaid insurance	-	967
Total current assets	249,885	76,664
Investments	5,976,915	5,006,633
<b>TOTAL ASSETS</b>	<b>\$ 6,226,800</b>	<b>\$ 5,083,297</b>
<b><i>Liabilities and Net Assets</i></b>		
Current liabilities:		
Accounts payable	\$ 56,740	\$ 50,066
Net assets:		
Without donor restrictions		
Designated for alumni development	18,632	19,403
Designated for institutional support	33,495	36,984
Designated for operating reserve	167,351	35,134
Designated for scholarships and support	-	6,015
Total net assets without donor restrictions	219,478	97,536
With donor restrictions	5,950,582	4,935,695
Total net assets	6,170,060	5,033,231
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 6,226,800</b>	<b>\$ 5,083,297</b>

See accompanying notes to financial statements.

**Wisconsin Indianhead Technical College Foundation, Inc.**  
**(A Nonprofit Organization)**

**Statements of Activities**

Years Ended June 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:						
Contributions	\$ 21,453	\$ 455,456	\$ 476,909	\$ 23,502	\$ 181,181	\$ 204,683
Interest, dividends, and realized gain on investments	70,205	343,207	413,412	22,232	96,895	119,127
In-kind contributions	88,307	-	88,307	384,950	-	384,950
Unrealized gain on investments	120,021	586,864	706,885	24,990	109,222	134,212
Net assets released from restrictions	380,988	(380,988)	-	356,442	(356,442)	-
<b>Total revenues, gains, and other support</b>	<b>680,974</b>	<b>1,004,539</b>	<b>1,685,513</b>	<b>812,116</b>	<b>30,856</b>	<b>842,972</b>
Expenses:						
Program services	387,650	-	387,650	392,311	-	392,311
Management and general	93,999	-	93,999	246,700	-	246,700
Fund-raising and special events	67,035	-	67,035	202,297	-	202,297
<b>Total expenses</b>	<b>548,684</b>	<b>-</b>	<b>548,684</b>	<b>841,308</b>	<b>-</b>	<b>841,308</b>
Transfers	(10,348)	10,348	-	(36,996)	36,996	-
Change in net assets	121,942	1,014,887	1,136,829	(66,188)	67,852	1,664
Net assets - Beginning of year	97,536	4,935,695	5,033,231	163,724	4,867,843	5,031,567
<b>Net assets - End of year</b>	<b>\$ 219,478</b>	<b>\$ 5,950,582</b>	<b>\$ 6,170,060</b>	<b>\$ 97,536</b>	<b>\$ 4,935,695</b>	<b>\$ 5,033,231</b>

See accompanying notes to financial statements.

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Statements of Functional Expenses

Years Ended June 30, 2021 and 2020

2021	Program Services	Management and General	Fund-Raising and Special Events	Total
Scholarships and student support	\$ 366,021	\$ -	\$ -	\$ 366,021
Ambassador program	625	-	-	625
Distinguished alumni program	420	-	-	420
Institutional support	17,221	-	-	17,221
Fund-raising and special events	-	-	63	63
Alumni/development staff	-	56,689	-	56,689
Professional fees	-	5,779	-	5,779
Board/committee expense	-	589	-	589
Contracted services	-	2,250	-	2,250
Supplies	-	309	-	309
Postage	-	1,671	-	1,671
Insurance	-	4,367	-	4,367
Miscellaneous	-	4,373	-	4,373
In-kind expenses	3,363	17,972	66,972	88,307
<b>Totals</b>	<b>\$ 387,650</b>	<b>\$ 93,999</b>	<b>\$ 67,035</b>	<b>\$ 548,684</b>

2020	Program Services	Management and General	Fund-Raising and Special Events	Total
Scholarships and student support	\$ 309,523	\$ -	\$ -	\$ 309,523
Ambassador program	907	-	-	907
Distinguished alumni program	425	-	-	425
Staff development program	-	1,000	-	1,000
Institutional support	35,393	-	-	35,393
Fund-raising and special events	-	-	14,131	14,131
Alumni/development staff	-	51,029	-	51,029
Professional fees	-	5,330	-	5,330
Board/committee expense	-	710	-	710
Contracted services	-	2,200	-	2,200
Supplies	-	904	-	904
Postage	-	5,134	-	5,134
Insurance	-	4,516	-	4,516
Miscellaneous	-	25,156	-	25,156
In-kind expenses	46,063	150,721	188,166	384,950
<b>Totals</b>	<b>\$ 392,311</b>	<b>\$ 246,700</b>	<b>\$ 202,297</b>	<b>\$ 841,308</b>

See accompanying notes to financial statements.

# Wisconsin Indianhead Technical College Foundation, Inc. (A Nonprofit Organization)

## Statements of Cash Flows

Years Ended June 30, 2021 and 2020

	<b>2021</b>	<b>2020</b>
Increase (decrease) in cash:		
Cash flows from operating activities:		
Change in net assets	\$ 1,136,829	\$ 1,664
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Unrealized gain on investments	(706,885)	(134,212)
Interest, dividends, and realized gain on investments	(436,262)	(139,299)
Contributions restricted for long-term purposes	(55,820)	(18,300)
Investment fees paid	22,865	20,234
Changes in operating assets and liabilities:		
Accounts receivable	428	1,340
Prepaid insurance	967	950
Accounts payable	6,674	(8,857)
Total adjustments	(1,168,033)	(278,144)
Net cash used in operating activities	(31,204)	(276,480)
Cash flows from investing activities:		
Proceeds from sale of investments	150,000	175,000
Cash flows from financing activities:		
Proceeds from contributions restricted for investments in permanent endowment	55,820	18,300
Net change in cash	174,616	(83,180)
Cash and cash equivalents - Beginning of year	67,074	150,254
Cash and cash equivalents - End of year	\$ 241,690	\$ 67,074

See accompanying notes to financial statements.



# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

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#### **Note 1: Summary of Significant Accounting Policies**

##### **The Entity**

The Wisconsin Indianhead Technical College Foundation, Inc. (the "Foundation") is an organization of area community leaders, faculty, and administrators dedicated to providing opportunities for scholarships, staff development, program improvement, and capital needs of Wisconsin Indianhead Technical College. Its goal is to not only support students in a financial way, but also to support the advancement and enrichment of campus life as a whole. The Foundation's primary funding source is donor contributions and investment earnings.

##### **Basis of Accounting**

The Foundation's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP).

##### **Change in Accounting Policy**

As of July 1, 2020, the Foundation adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Results for reporting the years ending June 30, 2021 and 2020 are presented under FASB ASC Topic 606. The ASU has been applied retrospectively to all periods presented, with no effect on net assets or previously issued financial statements.

##### **Use of Estimates in Preparation of Financial Statements**

The preparation of the accompanying financial statements in accordance with GAAP requires management to make certain estimates and assumptions that directly affect the results of reported assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

##### **Cash and Cash Equivalents**

The Foundation considers all cash and cash equivalents with an original maturity of three months or less and that are not held by investment managers as part of an investment portfolio to be cash equivalents.

##### **Investments**

Investment securities are carried at fair value. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Interest, dividends, and realized and unrealized gains and losses are recorded in the period earned as increases or decreases in net assets without donor restrictions unless the use of the assets received is limited by donor-imposed restrictions.

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

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#### **Note 1: Summary of Significant Accounting Policies** (Continued)

##### **Investments** (Continued)

Gains and investment earnings that are limited to specific uses by donor-imposed restrictions are recorded as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the gains and earnings are recognized.

The Foundation invests in various investments. Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

##### **Property and Depreciation**

Equipment and furniture are treated as expenditures in the year of acquisition. The total amount of equipment and furniture acquired in any given year is not material. Wisconsin Indianhead Technical College provides most of the equipment and furniture used by the Foundation.

##### **Income Taxes**

The Foundation is a not-for-profit organization organized under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income tax on related income pursuant to Section 501(a) of the code. The Foundation is also exempt from state income taxes pursuant to similar state of Wisconsin tax laws.

##### **Revenue Recognition**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions received are recorded as with donor restrictions or without donor restrictions, depending on the the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Revenue from exchange transactions: The Foundation recognizes revenue in accordance with FASB ASU 2014-09, *Revenue from Contracts with Customers*. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. There were no changes to how revenue is recognized due to the implementation of Accounting Standards Update (ASU) No . 2014-19, *Revenue from Contracts with Customers* (Topic 606).

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

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#### **Note 1: Summary of Significant Accounting Policies** (Continued)

##### **Functional Expenses**

The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

##### **Classification of Net Assets**

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

- Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions. Board designations, which are voluntary, board-approved segregations of net assets for specific purposes, projects, or investments, are also a part of net assets without donor restrictions.
- Net assets with donor restrictions - Net assets that are subject to donor-imposed stipulations that either expire by the passage of time or can be fulfilled or otherwise removed by actions of the Foundation pursuant to those stipulations, and net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation.

##### **Subsequent Events**

Subsequent events have been evaluated through October 28, 2021, which is the date the financial statements were available to be issued.

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

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#### Note 2: Fair Value Measurements

Accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for asset measured at fair value. There have been no changes in the methodologies used as of June 30, 2021 and 2020.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.

Equity securities: Valued using quoted market prices using pricing information provided by the Foundation's investment manager.

Fixed income and debt securities: Valued at market prices using pricing information provided by the Foundation's investment manager.

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

#### Note 2: Fair Value Measurements (Continued)

Information regarding assets measured at fair value on a recurring basis as of June 30, 2021 and 2020, is as follows:

#### Assets at Fair Value as of June 30, 2021

	Level 1	Level 2	Level 3	Total Fair Value
Investments at fair value:				
Fixed income and debt securities	\$ 419,079	\$ -	\$ -	\$ 419,079
Equity securities	-	-	-	-
Mutual funds:				
Money market	29,075	-	-	29,075
Equity securities	3,336,726	-	-	3,336,726
Fixed income and debt securities	2,066,987	-	-	2,066,987
Alternative investments	125,048	-	-	125,048
<b>Total investments at fair value</b>	<b>\$ 5,976,915</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,976,915</b>

#### Assets at Fair Value as of June 30, 2020

	Level 1	Level 2	Level 3	Total Fair Value
Investments at fair value:				
Fixed income and debt securities	\$ 686,127	\$ -	\$ -	\$ 686,127
Equity securities	98,909	-	-	98,909
Mutual funds:				
Money market	180,194	-	-	180,194
Equity securities	2,623,988	-	-	2,623,988
Fixed income and debt securities	1,320,883	-	-	1,320,883
Alternative investments	96,532	-	-	96,532
<b>Total investments at fair value</b>	<b>\$ 5,006,633</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,006,633</b>

The methods described and shown above for fair value calculations may produce a fair value calculation that may be different from the net realizable value or not reflective of future values expected to be received. The Foundation believes that its valuation methods are appropriate and consistent with other market participants; however, the use of these various methodologies and assumptions may produce results that differ in the estimates of fair value at the financial reporting date.

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

#### Note 3: Investments

Investments at June 30 are summarized as follows:

	2021		2020	
	Cost	Carrying Value	Cost	Carrying Value
Fixed income and debt securities	\$ 404,884	\$ 419,079	\$ 660,171	\$ 686,127
Equity securities	-	-	54,486	98,909
Mutual funds:				
Money market	29,075	29,075	180,194	180,194
Equity securities	1,284,979	3,336,726	1,322,690	2,623,988
Fixed income and debt securities	2,011,590	2,066,987	1,249,706	1,320,883
Alternative investments	73,725	125,048	74,822	96,532
<b>Totals</b>	<b>\$ 3,804,253</b>	<b>\$ 5,976,915</b>	<b>\$ 3,542,069</b>	<b>\$ 5,006,633</b>

Return on investments consists of the following at June 30:

	2021	2020
Unrealized gains	\$ 706,885	\$ 134,212
Realized gains	342,957	36,151
Interest and dividend income	93,320	103,210
Investment fees	(22,865)	(20,234)
<b>Totals</b>	<b>\$ 1,120,297</b>	<b>\$ 253,339</b>

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

#### Note 4: Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at June 30:

	<b>2021</b>	<b>2020</b>
Subject to appropriation and expenditure when a specific event occurs:		
Professional development	\$ 6,109	\$ 18,207
Continuing education	75,205	63,683
Capital and equipment	44,524	38,529
Scholarships	173,961	104,450
Student assistance	90,811	63,256
	390,610	288,125
Endowments:		
Subject to appropriation and expenditure when a specific event occurs:		
Restricted by donors for:		
Professional development	34,420	20,709
Scholarships	1,264,023	637,042
Capital and equipment	1,274	227
Student assistance	232,006	97,006
	1,531,723	754,984
Original donor-restricted gift amount and amounts to be maintained in perpetuity	4,028,249	3,892,586
<b>Total net assets with donor restrictions</b>	<b>\$ 5,950,582</b>	<b>\$ 4,935,695</b>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or other events specified by the donors as follows for the years ended June 30:

	<b>2021</b>	<b>2020</b>
Satisfaction of purpose restrictions:		
Professional development	\$ -	\$ 1,000
Scholarships and support	226,398	264,636
Institutional support	15,281	35,579
Student assistance	139,309	55,227
	380,988	356,442
<b>Total net assets released from donor restrictions</b>	<b>\$ 380,988</b>	<b>\$ 356,442</b>

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

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#### Note 5: Endowments

The Foundation's endowments consist of 198 individual funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with the endowment funds are classified and reported on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

**Investment Return Objectives, Risk Parameters, and Strategies.** The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and fixed income securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution, while growing the funds if possible. Therefore, the Foundation expects its endowment assets, over time, to produce an average annual real rate of return of the Consumer Price Index (CPI) + 3-4%, net of fees. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

**Spending Policy.** The spending policy for the Foundation is directed by the Board of Directors. The principal of an endowed fund will be invested for a period of 12 months before any disbursements will be made from interest income. No more than 5% of an endowment will be distributed annually. Administrative expenses, legal, tax, accounting, and investment advisory fees will be paid from the operating fund and are not included in the amount designated for disbursement.



# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

#### Note 5: Endowments (Continued)

Endowments that are donor restricted consisted of the following at June 30:

As of June 30, 2021 and 2020, the Foundation had the following endowment net asset composition.

	<b>With Donor Restrictions</b>	
	<b>2021</b>	<b>2020</b>
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ 4,028,249	\$ 3,892,586
Accumulated investment gains	1,531,723	754,984
<b>Total Endowment</b>	<b>\$ 5,559,972</b>	<b>\$ 4,647,570</b>

From time to time, certain donor-restricted endowments funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). At June 30, 2021, there was one underwater endowment in the amount of \$428.

Changes in endowment net assets for the years ended June 30 consisted of the following:

	<b>With Donor Restrictions</b>	
	<b>2021</b>	<b>2020</b>
Endowment net assets at beginning of year	\$ 4,647,570	\$ 4,574,171
Investment return	930,071	206,117
Contributions	104,234	40,902
Transfers	10,348	36,996
Appropriation of endowment assets for expenditures	(132,251)	(210,616)
<b>Endowment net assets at end of year</b>	<b>\$ 5,559,972</b>	<b>\$ 4,647,570</b>

#### Note 6: Donated Services

The Foundation is furnished salaries, benefits, office space, and computer usage by Wisconsin Indianhead Technical College, a related party. The value of these services was \$88,307 and \$384,950 for years ended June 30, 2021 and 2020, respectively. These amounts are recorded in the financial statements as in-kind expenses and in-kind contributions.

A substantial number of unpaid volunteers have made significant contributions of their time to the operations of the Foundation. The value of these donated services and time is not recognized in the accompanying financial statements because they do not meet the criteria for recognition.

# Wisconsin Indianhead Technical College Foundation, Inc.

## (A Nonprofit Organization)

### Notes to Financial Statements

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#### Note 7: Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<b>2021</b>	<b>2020</b>
Cash and cash equivalents	\$ 241,690	\$ 67,074
Accounts receivable	8,195	8,623
Investments	5,976,915	5,006,633
Total Financial Assets	6,226,800	5,082,330
Less those unavailable for general expenditure within one year, due to:		
Restricted by donor with time or purpose restrictions	(5,950,582)	(4,935,695)
Financial assets available to meet cash needs for general expenditures within one year	\$ 276,218	\$ 146,635

The Foundation does not have a formal liquidity policy but generally strives to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

As part of our liquidity management plan, the Foundation invests cash in excess of daily requirements in short-term investments, CDs, and money market funds.