

THE WILDCAT FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2021 AND 2020
AND
INDEPENDENT AUDITOR'S REPORT

HAMILTON & MUSSER, P.C.
Certified Public Accountants

THE WILDCAT FOUNDATION
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For the Years Ended June 30, 2021 and 2020

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HAMILTON & MUSSER, PC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Wildcat Foundation
Mechanicsburg, Pennsylvania

Opinion

We have audited the accompanying financial statements of The Wildcat Foundation (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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Wildcat Foundation as of June 30, 2021 and 2020, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Wildcat 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.

Emphasis of a Matter

As further explained in Note 12, The Wildcat Foundation is operating in an environment that has been economically impacted by the COVID-19 pandemic. Our opinion is not modified with respect to this matter.

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 The Wildcat Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Members of the American and Pennsylvania Institutes of CPAs

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 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, including omissions, 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 The Wildcat 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 Wildcat 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.

March 15, 2022

Mechanicsburg, Pennsylvania



Certified Public Accountants

THE WILDCAT FOUNDATION
 Statements of Financial Position
 June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and Cash Equivalents – Operating (Note 3)	\$ 521,821	\$ 933,179
Certificate of Deposit	-	119,543
Pledges Receivable (Note 5)	94,384	203,494
Prepaid Expenses	2,263	1,327
Cash and Cash Equivalents – Restricted for Capital Campaign (Note 3)	-	489,629
Beneficial Interest in Net Assets of a Community Foundation (Note 7)	468,966	380,452
Construction in Progress (Note 6)	<u>1,427,331</u>	<u>50,609</u>
Total Assets	<u>\$ 2,514,765</u>	<u>\$ 2,178,233</u>
Liabilities		
Accounts Payable	\$ 30,777	\$ 2,500
Deferred Revenue	<u>-</u>	<u>971</u>
Total Liabilities	<u>30,777</u>	<u>3,471</u>
Net Assets		
Without Donor Restrictions	2,005,448	1,078,380
With Donor Restrictions (Note 8)	<u>478,540</u>	<u>1,096,382</u>
Total Net Assets	<u>2,483,988</u>	<u>2,174,762</u>
Total Liabilities and Net Assets	<u>\$ 2,514,765</u>	<u>\$ 2,178,233</u>

The Accompanying Notes are an Integral Part of the Financial Statements

THE WILDCAT FOUNDATION
Statement of Activities
For the Year Ended June 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue			
Contributions	\$ 45,485	\$ 301,393	\$ 346,878
Special Events	86,551	-	86,551
Interest Income	5,965	-	5,965
Changes in Beneficial Interest in Net Assets of a Community Foundation (Note 7)	102,155	-	102,155
Net Assets Released from Restrictions	<u>919,235</u>	<u>(919,235)</u>	<u>-</u>
Total Support and Revenue	<u>1,159,391</u>	<u>(617,842)</u>	<u>541,549</u>
Expenses			
Program Services	124,383	-	124,383
Supporting Services			
Management and General	27,669	-	27,669
Fundraising	<u>80,271</u>	<u>-</u>	<u>80,271</u>
Total Expenses	<u>232,323</u>	<u>-</u>	<u>232,323</u>
Change in Net Assets	927,068	(617,842)	309,226
Net Assets, Beginning of Year	<u>1,078,380</u>	<u>1,096,382</u>	<u>2,174,762</u>
Net Assets, End of Year	<u>\$ 2,005,448</u>	<u>\$ 478,540</u>	<u>\$ 2,483,988</u>

The Accompanying Notes are an Integral Part of the Financial Statements

THE WILDCAT FOUNDATION
Statement of Activities
For the Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue			
Contributions	\$ 43,470	\$ 392,258	\$ 435,728
Special Events	105,907	-	105,907
Interest Income	19,087	-	19,087
Changes in Beneficial Interest in Net Assets of a Community Foundation (Note 7)	3,529	-	3,529
Net Assets Released from Restrictions	<u>210,533</u>	<u>(210,533)</u>	<u>-</u>
Total Support and Revenue	<u>382,526</u>	<u>181,725</u>	<u>564,251</u>
Expenses			
Program Services	124,167	-	124,167
Supporting Services			
Management and General	42,016	-	42,016
Fundraising	<u>94,229</u>	<u>-</u>	<u>94,229</u>
Total Expenses	<u>260,412</u>	<u>-</u>	<u>260,412</u>
Change in Net Assets	122,114	181,725	303,839
Net Assets, Beginning of Year	<u>956,266</u>	<u>914,657</u>	<u>1,870,923</u>
Net Assets, End of Year	<u>\$ 1,078,380</u>	<u>\$ 1,096,382</u>	<u>\$ 2,174,762</u>

The Accompanying Notes are an Integral Part of the Financial Statements

THE WILDCAT FOUNDATION
Statement of Functional Expenses
For the Year Ended June 30, 2021

	Supporting Services			
	Program Services	Management and General	Fundraising	Total
Academic Programs	\$ 28,687	\$ -	\$ -	\$ 28,687
Advertising	-	-	11,170	11,170
Employee Benefits	341	341	2,043	2,725
EITC Donations	64,091	-	-	64,091
Health and Wellness Programs	13,590	-	-	13,590
Information Technology	-	600	-	600
Insurance	-	764	-	764
Miscellaneous	-	652	-	652
Office Expense	-	1,387	-	1,387
Payroll Taxes	363	363	2,175	2,901
Printing and Postage	-	9,266	2,317	11,583
Professional Fees	-	8,985	-	8,985
Scholarships	12,000	-	-	12,000
Salaries and Wages	5,311	5,311	31,865	42,487
Special Events	-	-	30,701	30,701
	-	-	30,701	30,701
Total Expenses	\$ 124,383	\$ 27,669	\$ 80,271	\$ 232,323

The Accompanying Notes are an Integral Part of the Financial Statements

THE WILDCAT FOUNDATION
Statement of Functional Expenses
For the Year Ended June 30, 2020

	Supporting Services			
	Program Services	Management and General	Fundraising	Total
Academic Programs	\$ 26,481	\$ -	\$ -	\$ 26,481
Advertising	-	-	14,599	14,599
Employee Benefits	734	734	4,407	5,875
EITC Donations	75,205	-	-	75,205
Information Technology	-	10,656	-	10,656
Insurance	-	525	-	525
Miscellaneous	-	1,025	-	1,025
Office Expense	-	1,001	-	1,001
Payroll Taxes	386	386	2,313	3,085
Printing and Postage	-	12,329	3,082	15,411
Professional Fees	-	10,049	-	10,049
Scholarships	16,050	-	-	16,050
Salaries and Wages	5,311	5,311	31,865	42,487
Special Events	-	-	37,963	37,963
	-	-	37,963	37,963
Total Expenses	\$ 124,167	\$ 42,016	\$ 94,229	\$ 260,412

The Accompanying Notes are an Integral Part of the Financial Statements

THE WILDCAT FOUNDATION
 Statements of Cash Flows
 For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 309,226	\$ 303,839
Adjustments to Reconcile Change in Net Assets to Net Cash and Cash Equivalents Provided by Operating Activities:		
Changes in Beneficial Interest in Net Assets of a Community Foundation	(102,155)	(3,529)
Contributions to Capital Campaign	(240,812)	(289,928)
Contribution of Construction in Progress	(5,130)	-
(Increase) Decrease in:		
Pledges Receivable	109,110	102,129
Prepaid Expenses	(936)	(3)
Increase (Decrease) in:		
Accounts Payable	1,142	(2,997)
Deferred Revenue	(971)	(7,345)
	69,474	102,166
Net Cash and Cash Equivalents Provided by Operating Activities		
Cash Flows from Investing Activities:		
Proceeds from Maturities of Certificates of Deposit	119,543	250,623
Distribution from Community Foundation	13,641	29,901
Purchase of Construction in Progress	(1,344,457)	(50,609)
	(1,211,273)	229,915
Net Cash and Cash Equivalents Provided (Used) by Investing Activities		
Cash Flows from Financing Activities:		
Contributions to Capital Campaign	240,812	289,928
	240,812	289,928
Net Cash and Cash Equivalents Provided by Financing Activities		
Net Change in Cash and Cash Equivalents	(900,987)	622,009
Cash and Cash Equivalents, Beginning of Year	1,422,808	800,799
Cash and Cash Equivalents, End of Year	\$ 521,821	\$ 1,422,808
<u>Supplemental Cash Flow Disclosures:</u>		
Cash Paid for Interest	\$ -	\$ -
Cash Paid for Taxes	-	-
<u>Supplemental Non-Cash Investing Activities:</u>		
Purchase of Construction in Progress Included in Accounts Payable	\$ 27,135	\$ -

The Accompanying Notes are an Integral Part of the Financial Statements

THE WILDCAT FOUNDATION
Notes to Financial Statements
For the Years Ended June 30, 2021 and 2020

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

The Wildcat Foundation (the Foundation) is a nonprofit community organization formed to raise contributions to be used to support and enhance programs in the Mechanicsburg Area School District (MASD) for the benefit of and to improve the quality of education for the students. The Foundation's support comes primarily from donor contributions.

Basis of Accounting:

The financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation:

Financial statement presentation follows the *Not-for-Profit Entities* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) which requires the Foundation to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Accounts Receivable:

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. If there is no balance in accounts receivable at year-end, then no allowance of doubtful accounts is considered necessary.

Pledges Receivable:

Pledges receivable are recorded in the period in which the pledge is made. Pledges receivable are considered purpose and time restricted net assets and are discounted to present value based upon a reasonable interest rate. Management determined that a discount was not considered necessary for the years ended June 30, 2021 and 2020. Pledges are also reviewed for collectability and allowances may be recorded as determined by management. If a pledge is determined to be uncollectible, it is written off as bad debt expense.

Contributions:

Contributions received are recorded as increases in net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

Deferred Revenue:

Income received in the current year for the subsequent year's events is not recognized as income until the subsequent year, and therefore is considered deferred revenue at the end of the current year.

Fair Value Measurements:

Financial instruments are valued at fair market value on a recurring basis in the Statements of Financial Position.

Fair Value Reporting requires an establishment of a hierarchy that ranks the quality and reliability of inputs, or assumptions, used in the determination of fair value and requires financial assets and liabilities carried at fair value to be classified and disclosed in one of the following three categories:

THE WILDCAT FOUNDATION
Notes to Financial Statements
For the Years Ended June 30, 2021 and 2020

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued):

- Level 1 – Quoted prices in active markets for identical assets and liabilities
- Level 2 – Directly or indirectly observable inputs other than Level 1 quoted prices
- Level 3 – Unobservable inputs not corroborated by market data

For financial instruments that have quoted market prices in active markets, the Foundation uses the quoted market prices as fair values and includes those financial instruments in Level 1 of the fair value hierarchy. When quoted market prices in active markets are not available, various pricing services are used to determine fair value of financial instruments that are included in Level 2 of the fair value hierarchy. Level 3 represents financial instruments whose fair value is determined based upon inputs that are unobservable and include the Foundation's own determinations of the assumptions that a market participant would use in pricing the asset.

Financial instruments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain financial instruments and the level of uncertainty related to changes in the value of financial instruments, it is at least reasonably possible changes in risks in the near term would materially affect financial instrument assets reported in the Statements of Financial Position and Statements of Activities.

Certificates of Deposit:

Certificates of deposit with initial maturities greater than three months are reported at cost plus interest earned on the Statements of Financial Position. The certificates of deposit are considered Level 2.

Taxation:

The Foundation is exempt from federal income tax as provided by Code Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income tax is incurred unless the Foundation earns income considered to be unrelated business income. The Foundation conducted no activities that were subject to income tax.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation. Management evaluated the tax positions taken and concluded that the Foundation had taken no uncertain tax positions that require recognition or disclosure in the financial statements. No provision or benefit for income taxes has been included in these financial statements. With few exceptions, the Foundation is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before June 30, 2018.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents:

For the purpose of the Statements of Cash Flows, cash and cash equivalents include all highly liquid investments with an initial maturity of three months or less.

Functional Allocation of Expenses:

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

THE WILDCAT FOUNDATION
Notes to Financial Statements
For the Years Ended June 30, 2021 and 2020

NOTE 2 PENDING NEW ACCOUNTING PRONOUNCEMENT

In February 2016, FASB issued ASU No. 2016-02, *Leases*. The ASU introduces a lessee’s model that brings most leases onto the Statement of Financial Position and aligns many of the underlying principles of the new lessor model with those in the new revenue recognition standard (ASU No. 2014-09). ASU No. 2016-02 is effective for annual periods beginning after December 15, 2021. The Foundation is currently assessing the impact this standard will have on its financial statements.

NOTE 3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at June 30:

	<u>2021</u>	<u>2020</u>
Cash and Cash Equivalents – Operating	\$ 521,821	\$ 933,179
Cash and Cash Equivalents – Restricted for Capital Campaign	<u> -</u>	<u> 489,629</u>
Total	<u>\$ 521,821</u>	<u>\$ 1,422,808</u>

NOTE 4 AVAILABILITY AND LIQUIDITY

The following represents the Foundation’s financial assets at June 30:

	<u>2021</u>	<u>2020</u>
Financial Assets:		
Cash and Cash Equivalents	\$ 521,821	\$ 1,422,808
Certificates of Deposit	-	119,543
Pledges Receivable	94,384	203,494
Beneficial Interest in Net Assets of a Community Foundation	<u> 468,966</u>	<u> 380,452</u>
Total Financial Assets	<u> 1,085,171</u>	<u> 2,126,297</u>
Less Amounts Not Available to be Used Within One Year		
Net Assets with Donor Restrictions, Net of Pledges Receivable to be Received Within One Year	<u> 417,643</u>	<u> 955,619</u>
Financial Assets Available to Meet Expenses Over the Next Year	<u>\$ 667,528</u>	<u>\$ 1,170,678</u>

The Foundation’s plan is generally to maintain financial assets to meet 24 months of operating expenses.

THE WILDCAT FOUNDATION
Notes to Financial Statements
For the Years Ended June 30, 2021 and 2020

NOTE 5 PLEDGES RECEIVABLE

Included in pledges receivable are the following unconditional promises to give at June 30:

	<u>2021</u>	<u>2020</u>
Restricted to Future Periods	\$ 94,384	\$ 203,494
Unconditional Promises to Give Before Allowance for Uncollectibles	<u>94,384</u>	<u>203,494</u>
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>
Pledges Receivable	<u>\$ 94,384</u>	<u>\$ 203,494</u>
Amounts Due In:		
Less Than One Year	\$ 60,897	\$ 140,763
One to Five Years	33,487	62,731
More Than Five Years	<u>-</u>	<u>-</u>
Total	<u>\$ 94,384</u>	<u>\$ 203,494</u>

NOTE 6 CONSTRUCTION IN PROGRESS

During 2020, the Foundation began construction of Memorial Park (the Park). Any construction of the Park will be turned over to MASD upon completion. Until the Park is completed and turned over to MASD, it is capitalized as Construction in Progress. The Park will be expensed in the year it is turned over to MASD. The cost of construction and related services incurred totaled \$1,427,331 and \$50,609 for the years ended June 30, 2021 and 2020, respectively.

NOTE 7 BENEFICIAL INTEREST IN NET ASSETS OF A COMMUNITY FOUNDATION

During 1999, the Foundation established The Wildcat Foundation Fund (the Fund) with The Foundation for Enhancing Communities (TFEC). TFEC retains legal title to all assets held in the Fund, and the net earnings of the Fund, after deducting the expenses of investing and administering the Fund are available to be distributed annually to the Foundation. The distribution committee of TFEC has the power to modify any restriction on the Fund; however, it is the TFEC's intention to distribute any earnings to the Foundation for as long as the Foundation continues to exist. The Fund is split into two parts: The Wildcat Foundation Fund – Agency and The Wildcat Foundation Fund – Designated. Although the Foundation is the beneficiary to both parts, they are only permitted to claim the amount held in the Agency Fund as an asset in their records. These investments are considered Level 3.

During 2012, the Foundation established the Wildcat Foundation Scholarship Fund (the Scholarship Fund) with TFEC. TFEC retains legal title to all assets held in the Scholarship Fund, and the net earnings of the Scholarship Fund, after deducting the expenses of investing and administering the Scholarship Fund are available for scholarship recipients determined by the Foundation. The distribution committee of TFEC has the power to modify any restriction on the Scholarship Fund; however, it is the TFEC's intention to distribute any earnings to the Foundation for as long as the Foundation continues to exist. The Foundation is not permitted to claim the amount held in the Scholarship Fund as an asset in their records.

THE WILDCAT FOUNDATION
Notes to Financial Statements
For the Years Ended June 30, 2021 and 2020

NOTE 7 BENEFICIAL INTEREST IN NET ASSETS OF A COMMUNITY FOUNDATION (CONTINUED)

The investment policy, use of earnings, and current year activity are as follows:

Investment Management Policy

Gifts to the funds are generally given with the donors' expectations that the funds will stay intact and will grow from earnings, which can then be used for current or long-term needs of the Foundation. Therefore, the funds should be invested in accordance with these general policies:

1. *Preservation of Capital* – Both with respect to the overall Fund and to the assets assigned to each investment manager, the Budget Committee and the investment managers should make conscious efforts to preserve capital, understanding that losses may occur in individual securities.
2. *Risk Aversion* – Understanding that risk is present in all types of securities and investment styles, the Budget Committee recognizes that some risk is necessary to produce long-term investment results sufficient to meet the Fund's objectives. However, investment managers are to make reasonable efforts to control risk, and they will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.
3. *Adherence to Investment Discipline* – Investment managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.

Investment Objectives

Specifically, the primary objective in the investment management of fund assets shall be:

- To preserve purchasing power after spending
- To achieve returns that are more than the rate of inflation plus spending over the investment horizon in order to preserve purchasing power of fund assets
- To control risk in the investment of fund assets

Handling of Income from Endowment Fund Investments

All investment income will be available annually to the Foundation. There are no restrictions on the use of the income other than it must be used for the benefit of the Foundation.

The asset activity for the year ended June 30, 2021 is reflected as net assets without donor restrictions and net assets with perpetual restrictions as follows:

	<u>Without Donor Restrictions</u>	<u>With Perpetual Restrictions</u>	<u>Total</u>
Beginning Balance	\$ 137,433	\$ 243,019	\$ 380,452
Contributions	-	-	-
Distributions to Operations	(13,641)	-	(13,641)
Investment Income	110,912	-	110,912
Investment Management Fees	<u>(8,757)</u>	<u>-</u>	<u>(8,757)</u>
Total Fund Net Assets	<u>\$ 225,947</u>	<u>\$ 243,019</u>	<u>\$ 468,966</u>

THE WILDCAT FOUNDATION
Notes to Financial Statements
For the Years Ended June 30, 2021 and 2020

NOTE 7 BENEFICIAL INTEREST IN NET ASSETS OF A COMMUNITY FOUNDATION (CONTINUED)

Handling of Income from Endowment Fund Investments (Continued)

The asset activity for the year ended June 30, 2020 is reflected as net assets without donor restrictions and net assets with perpetual restrictions as follows:

	<u>Without Donor Restrictions</u>	<u>With Perpetual Restrictions</u>	<u>Total</u>
Beginning Balance	\$ 163,805	\$ 243,019	\$ 406,824
Contributions	-	-	-
Distributions to Operations	(29,901)	-	(29,901)
Investment Income	11,581	-	11,581
Investment Management Fees	<u>(8,052)</u>	<u>-</u>	<u>(8,052)</u>
Total Fund Net Assets	<u>\$ 137,433</u>	<u>\$ 243,019</u>	<u>\$ 380,452</u>

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30:

	<u>2021</u>	<u>2020</u>
Time Restricted Net Assets		
Pledges Receivable	<u>\$ 94,384</u>	<u>\$ 203,494</u>
Total Time Restricted Net Assets	<u>94,384</u>	<u>203,494</u>
Purpose Restricted Net Assets		
Academic Programs		
EITC	80,977	102,677
High School Music Program	<u>254</u>	<u>-</u>
Total Academic Programs	<u>81,231</u>	<u>102,677</u>
Health and Wellness Programs		
Memorial Gift	6,714	6,440
Culture/Fine Arts	200	200
Diversity Day	32	32
Girls on the Run	891	891
Wellness Program	36,410	50,000
Emergency Response Fund	<u>15,659</u>	<u>-</u>
Total Health and Wellness Programs	<u>59,906</u>	<u>57,563</u>
Capital Campaign	<u>-</u>	<u>489,629</u>
Total Purpose Restricted Net Assets	<u>141,137</u>	<u>649,869</u>
Total Time and Purpose Restricted Net Assets	<u>235,521</u>	<u>853,363</u>

THE WILDCAT FOUNDATION
Notes to Financial Statements
For the Years Ended June 30, 2021 and 2020

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

	<u>2021</u>	<u>2020</u>
Perpetually Restricted Net Assets		
Beneficial Interest in Net Assets of a Community Foundation (Note 7)	<u>243,019</u>	<u>243,019</u>
Total Perpetually Restricted Net Assets	<u>243,019</u>	<u>243,019</u>
Total Net Assets with Donor Restrictions	<u>\$ 478,540</u>	<u>\$ 1,096,382</u>

NOTE 9 CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents held with financial institutions. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) up to \$250,000 per institution. The amount in excess of the FDIC limit was \$289,479 and \$1,203,495 at June 30, 2021 and 2020, respectively. There were no amounts in excess of the NCUA limit at June 30, 2021 and 2020.

NOTE 10 ADVERTISING

The Foundation's policy is to expense advertising costs as incurred as reflected in the Statements of Functional Expenses. The amount of advertising costs incurred was \$11,170 and \$14,599 for the years ended June 30, 2021 and 2020, respectively.

NOTE 11 RECLASSIFICATIONS

Certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

NOTE 12 SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 15, 2022, which is the date the financial statements were available to be issued.

Subsequent to June 30, 2021, the Foundation has been operating in an environment that has been economically impacted by the COVID-19 pandemic. The full impact of the pandemic on the Foundation is not known as of the release of these financial statements. However, management is monitoring the current conditions and their potential impact.