Victor Valley College Foundation

Their dreams, your passion, our mission!

Financial Statements

and

Independent Auditors' Report

For the Years Ended

June 30, 2021 and 2020

SM&Co

Board of Directors
Victor Valley College Foundation, Inc.
Victorville, CA

Independent Auditors' Report

Report on the Financial Statements
We have audited the accompanying financial statements of Victor Valley 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 and changes in net assets, 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 of America; 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.

Auditors' 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 of America. 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 Victor Valley College Foundation, Inc. as of June 30, 2021 and 2020, and changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Smith Marion & Co.

November 4, 2021

Victor Valley College Foundation, Inc.
(A Non-Profit Organization)
Statements of Financial Position
June 30, 2021 and 2020

	2021	2020
ASSETS		
Current Assets		
Cash and cash equivalents	$ 778,916	$ 777,132
Short-term investments	304,053	137,768
Investment - scholarship endowment	548,696	233,814
Investment - other	62,151	49,806
Pledges and grants receivable, net	53,470	55,230
Accrued interest receivable	870	870
Total Current Assets	1,748,156	1,254,620
Long-Term Assets		
Long-term investments	3,000,110	2,725,979
Investment - donated property	-	24,706
Property and equipment (net)	2,323,533	2,326,570
Total Long-Term Assets	5,323,643	5,077,255
TOTAL ASSETS	$ 7,071,799	$ 6,331,875
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	$ 22,153	$ 28,397
Joseph B. Campbell Scholarship	600	600
Total Current Liabilities	22,753	28,997
Net Assets		
Without Donor Restrictions		
Undesignated	2,531,909	2,635,326
With Donor Restriction		
Purpose restrictions	2,986,492	2,256,907
Perpetual in nature	1,530,645	1,410,645
Total Net Assets	7,049,046	6,302,878
TOTAL LIABILITIES AND NET ASSETS	$ 7,071,799	$ 6,331,875

See notes to financial statements

Victor Valley College Foundation, Inc.

(A Non-Profit Organization)
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restriction	Total
REVENUES AND GAINS			
Donations	$ 145,978	$ 1,221,720	$ 1,367,698
In-kind donations	4,759	237,216	241,975
Event and other revenue (net)	67,259	-	67,259
Membership dues	52,149	-	52,149
Net investment return	55,281	424,480	479,761
Subtotal Revenues and Gains	325,426	1,883,416	2,208,842
Net Assets Released from Restrictions			
Net assets released from restrictions	1,033,831	(1,033,831)	-
TOTAL REVENUES AND GAINS	1,359,257	849,585	2,208,842
EXPENSES			
Program services	1,283,601	-	1,283,601
Management and general	136,155	-	136,155
Fundraising	42,918	-	42,918
TOTAL EXPENSES	1,462,674	-	1,462,674
Change in Net Assets	(103,417)	849,585	746,168
Beginning Net Assets	2,635,326	3,667,552	6,302,878
ENDING NET ASSETS	$ 2,531,909	$ 4,517,137	$ 7,049,046

See notes to financial statements

	Without Donor Restrictions	With Donor Restriction	Total
REVENUES AND GAINS			
Donations	$ 107,490	$ 1,337,071	$ 1,444,561
In-kind donations	4,170	255,816	259,986
Event and other revenue (net)	8,823	-	8,823
Membership dues	43,672	-	43,672
Net investment return	1,690	150,075	151,765
Subtotal Revenues and Gains	165,845	1,742,962	1,908,807
Net Assets Released From Restrictions			
Net assets released from restrictions	1,544,141	(1,544,141)	-
TOTAL REVENUES AND GAINS	1,709,986	198,821	1,908,807
EXPENSES			
Program services	1,837,749	-	1,837,749
Management and general	142,514	-	142,514
Fundraising	55,497	-	55,497
TOTAL EXPENSES	2,035,760	-	2,035,760
Change in Net Assets	(325,774)	198,821	(126,953)
Beginning Net Assets	2,961,100	3,468,731	6,429,831
ENDING NET ASSETS	$ 2,635,326	$ 3,667,552	$ 6,302,878

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Victor Valley College Foundation, Inc.
(A Non-Profit Organization)
Statement of Functional Expenses
For the Year Ended June 30, 2021

		Support Services		
	Program Services	Management and General	Fundraising	Total
Accounting	$ -	$ 10,007	$ 350	$ 10,357
Advertising	-	518	2,670	3,188
Awards and recognition	1,169	41	3,772	4,982
Bad debt	900	-	2,330	3,230
Bank and broker charges	20	3,119	-	3,139
Catering	-	-	4,525	4,525
Commissions	-	-	400	400
Consultants	-	4,050	-	4,050
Contributions and donations	2,957	400	-	3,357
Depreciation	-	3,037	-	3,037
Dues and subscriptions	100	32,684	7,899	40,683
Education and training	-	-	12,190	12,190
Equipment and supplies	125,234	5,347	5,865	136,446
Facilities and decorations	4,154	504	18,255	22,913
Grants awarded	445,934	-	-	445,934
Hospitality	603	350	1,293	2,246
Insurance	-	518	1,799	2,317
Licenses and fees	-	2,498	3,106	5,604
Meals	59	668	172	899
Office staffing	-	12,623	-	12,623
Office expense	3,986	6,626	1,229	11,841
Outside labor	17,736	-	30,355	48,091
Postage	32	1,366	62	1,460
Printing	2,479	1,560	1,901	5,940
Professional fees	5,763	40,711	3,000	49,474
Refund	175	-	-	175
Repairs and maintenance	3,858	-	-	3,858
Scholarships	461,897	5,500	1,000	468,397
Taxes	-	-	8,241	8,241
Telephone	-	3,968	-	3,968
Travel	887	60	241	1,188
Rent and utilities	205,658	-	-	205,658
Total expenses by function	1,283,601	136,155	110,655	1,530,411
Less: direct fundraising expenses	-	-	(67,737)	(67,737)
Total expenses inclued in the expense section on the statement of activities	$ 1,283,601	$ 136,155	$ 42,918	$ 1,462,674

	Program Services	Support Services: Management and General	Support Services: Fundraising	Total
Accounting	$ -	$ 9,807	$ 350	$ 10,157
Admission/entry fees	3,720	-	942	4,662
Advertising	75	1,396	2,740	4,211
Awards and recognition	5,109	545	3,680	9,334
Bad debt	-	-	5,250	5,250
Bank and broker charges	337	2,121	-	2,458
Catering	1,275	-	35,983	37,258
Commissions	-	-	5,000	5,000
Consultants	-	2,300	-	2,300
Contributions and donations	26,900	-	300	27,200
Depreciation	-	3,037	-	3,037
Dues and subscriptions	120	1,889	4,240	6,249
Education and training	-	3,329	700	4,029
Equipment and supply expenditures	118,698	4,627	10,785	134,110
Event entertainment	1,025	-	7,500	8,525
Facilities and decorations	4,285	-	32,831	37,116
Grants awarded	796,563	-	9,107	805,670
Hospitality	1,987	1,873	2,649	6,509
Insurance	-	-	1,799	1,799
Licenses and fees	-	20	800	820
Meals	8,449	1,005	1,343	10,797
Office staffing	24,146	10,249	657	35,052
Office expense	4,185	8,327	1,265	13,777
Outside labor	48,523	-	21,891	70,414
Postage	46	1,188	-	1,234
Printing	5,205	(888)	8,286	12,603
Professional fees	-	45,856	-	45,856
Program development	-	18,000	-	18,000
Refund	81	-	40	121
Repairs and maintenance	380	-	-	380
Scholarships	522,690	16,601	3,890	543,181
Taxes	-	-	8,228	8,228
Telephone	-	3,825	-	3,825
Travel	33,228	7,407	1,335	41,970
Rent and utilities	230,722	-	-	230,722
Total expenses by function	1,837,749	142,514	171,591	2,151,854
Less: direct fundraising expenses	-	-	(116,094)	(116,094)
Total expenses included in the expense section on the statement of activities	$ 1,837,749	$ 142,514	$ 55,497	$ 2,035,760

Victor Valley College Foundation, Inc.
(A Non-Profit Organization)
Statements of Cashflows
For the Years Ended June 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 746,168	$ (126,953)
Adjustment to reconcile changes in net assets to net cash provided by operating activities:		
Non-cash Items:		
Realized and unrealized (gain) loss on investments	(479,871)	(151,765)
Depreciation	3,037	3,037
(Increase) decrease in:		
Pledges and grants receivables	1,760	47,624
Increase (decrease) in:		
Accounts payable	(6,244)	(79,058)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	264,850	(307,115)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(1,137,158)	(863,964)
Proceeds from sale of investments	874,092	854,811
Purchase of equipment	-	(21,259)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(263,066)	(30,412)
CASH FLOWS FROM FINANCING ACTIVITIES		
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	-	-
Net Increase (Decrease) in Cash	1,784	(337,527)
Beginning Cash	777,132	1,114,659
ENDING CASH	$ 778,916	$ 777,132
Supplemental Data		
In-kind revenues	$ 241,975	$ 259,986
In-kind expenses	$ 241,975	$ 259,986
Property taxes paid	$ 8,241	$ 8,228

See notes to financial statements

Note 1 - Summary of Significant Accounting Policies

Nature of Activities

Victor Valley College Foundation, Inc. (the "Foundation") is a not-for-profit organization whose purpose is to support the operations and the students of Victor Valley Community College. The Foundation elicits donations for scholarships to needy and deserving college students. The Foundation also develops resources and makes grants to support college educational programs.

Basis of Accounting

The Foundation maintains its accounting records on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when the obligation is incurred.

Basis of Presentation

The Foundation reports 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. The following provides an explanation of net assets categories included in the accompanying financial statements:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net Assets with Donor Restriction – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Pledges and Grants Receivable

Pledges and grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for uncollectable amounts through reduction in revenues related to those uncollectible amounts.

Property and Equipment

Property and equipment are reported at cost if purchased or at fair value at the date of donation. Property and equipment are capitalized if the cost of an asset is greater than or equal to $1,000 and the useful life is over one year. Depreciable property and equipment are depreciated to 10% of its cost. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets as follows:

Office equipment	5-10 years

Investments

Investments are recorded at cost at the time of purchase, or if donate, at fair value on the date of donation. Thereafter investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Contributions

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

In-Kind Contributions

Contributed goods are recorded at fair value at the date of donation. Donated professional services are recoded at the respective fair values of the services received. In-kind contributions of items that the Foundation ultimately puts to use are recorded as expenses, or, if they qualify, are capitalized as fixed assets.

Functional Allocation of Expenses

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of 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 those estimates, and those differences could be material.

Income Taxes

The Foundation is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Disclosure About Fair Value of Assets and Liabilities
Victor Valley College Foundation, Inc. adopted the standard for Fair Value Measurements. The Accounting principle for fair value measurements defines fair value, establishes a framework for measuring fair value and expands disclosure about fair value measurements.

The Foundation defines fair value as 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 standard also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standards three levels of inputs that may be used to measure fair value:

Level 1: Observable prices in active markets for identical assets or liabilities.
Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.
Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Reclassifications
Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Note 2 - Liquidity and Availability
Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash	$	778,916
Short-term investments		304,053
Other investments		610,847
Pledges and grants receivable		53,470
Financial assets available for general expenditure within one year, net	$	1,747,286

Our endowment funds consist of donor-restricted endowments income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

Note 3 - Pledges and Grants Receivable
Receivables at June 30, 2021 and 2020 consisted of the following:

		06/30/21		6/30/20
Pledges and grant receivables	$	56,094	$	57,904
Allowance for uncollectible receivables		(2,624)		(2,674)
Pledges and grant receivables, net	$	53,470	$	55,230

Note 4 - Investments

At June 30, 2021 and 2020, investments consisted of the following:

	6/30/21	6/30/20
Long-term investments	$ 3,000,110	$ 2,725,979
Short-term investments	304,053	137,768
Total investments	$ 3,304,163	$ 2,863,747

Note 5 - Fair Value Measurements

Fair value measurements for assets reported at fair value on a recurring basis at June 30, 2021 were based on:

Description	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level3)
Short-term investments	$ 304,053	$ 304,053	$ -	$ -
Total short-term investments	$ 304,053	$ 304,053	$ -	$ -
Long-term investments				
Equity securities	$ 1,177,628	$ 1,177,628	$ -	$ -
Debt securities	1,822,482	1,822,482	-	-
Total long-term investments	$ 3,000,110	$ 3,000,110	$ -	$ -

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Fair value measurements for assets reported at fair value on a recurring basis at June 30, 2020 were based on:

Description	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level3)
Short-term investments	$ 137,768	$ 137,768	$ -	$ -
Total short-term investments	$ 137,768	$ 137,768	$ -	$ -
Long-term investments				
Equity securities	$ 1,128,671	$ 1,128,671	$ -	$ -
Debt securities	1,597,308	1,597,308	-	-
Total long-term investments	$ 2,725,979	$ 2,725,979	$ -	$ -

Note 6 - Concentration of Credit Risk

From time to time, the Foundation maintains bank balances in excess of the federally insured limits. This risk is mitigated by utilizing only highly rated financial institutions. Bank accounts with California Business Bank are fully insured, under Title 5, Division 2, Part1, Chapter 4, article 2 of the Government Code of the State of California. The Foundation at June 30, 2021 and 2020, had no uninsured bank balances.

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Note 7 - Property and Equipment

Property and equipment as of June 30, 2021 consisted of the following:

	6/30/20	Additions	Deletions	6/30/21
Property and Equipment				
Non-depreciable assets				
Land	$ 1,845,000	$ -	$ -	$ 1,845,000
Donated assets	460,000	-	-	460,000
Depreciable assets				
Equipment	61,397	-	-	61,397
Total property and equipment	2,366,397	-	-	2,366,397
Accumulated Depreciation	(39,827)	(3,037)	-	(42,864)
Property and Equipment (Net)	$ 2,326,570	$ (3,037)	$ -	$ 2,323,533

Depreciation expense for the year ended June 30, 2021 was: $ (3,037)

Property and equipment as of June 30, 2020 consisted of the following:

	6/30/19	Additions	Deletions	6/30/20
Property and Equipment				
Non-depreciable assets				
Land	$ 1,845,000	$ -	$ -	$ 1,845,000
Donated assets	460,000	-	-	460,000
Depreciable assets				
Equipment	40,138	21,259	-	61,397
Total property and equipment	2,345,138	21,259	-	2,366,397
Accumulated Depreciation	(36,790)	(3,037)	-	(39,827)
Property and Equipment (Net)	$ 2,308,348	$ 18,222	$ -	$ 2,326,570

Depreciation expense for the year ended June 30, 2020 was: $ (3,037)

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Note 8 - Endowment Funds

Victor Valley College Foundation, Inc. Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA), as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. Accordingly, the Foundation retains in perpetuity a) the original value of the gifts donated to permanent endowment, b) the original value of subsequent gifts to the permanent endowment, and c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature is classified as purpose restricted net assets until those amounts are appropriated for expenditure by The Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, 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. Victor Valley College Foundation, Inc.'s investment policy stipulates that a prudent portion of monies are to be placed in interest-bearing accounts, to maximize the potential earnings on the gifts. The general rule for acceptable investments for the aggregated endowment funds (federal and non-federal) are savings accounts or in low-risk securities in which a regulated insurance company may invest under the law of the State in which the institution is located. This typically includes "savings accounts" such as a federally insured bank savings account, a comparable interest-bearing account offered by a bank, or a money market fund. "Low-risk securities" includes certificates of deposit, mutual funds, stocks, or bonds.

Spending Policy. Income from the endowment may be spent for costs necessary to operate the Foundation, including general operating and maintenance costs, costs to administer and manage the endowment fund, and costs associated with buying and selling securities, such as stockbroker commissions and fees to "load" mutual funds. Income from the endowment cannot be spent for a school or department of divinity or any religious worship or sectarian activity, an activity that is inconsistent with a State plan for desegregation applicable to the grantee, or an activity that is inconsistent with a State plan applicable to the grantee.

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	Purpose Restricted	Perpetual in Nature	Total
June 30, 2021:			
Endowment net assets, beginning of year	$ 735,806	$ 1,410,645	$ 2,146,451
Contributions	-	120,000	120,000
Transfer of funds	-	-	-
Investment return:	-	-	-
Investment income	-	-	-
Net appreciation of investment	424,480	-	424,480
Total investment return	424,480	-	424,480
Amounts appropriated for expenditure	-	-	-
Endowment net assets, end of year	$ 1,160,286	$ 1,530,645	$ 2,690,931
June 30, 2020:			
Endowment net assets, beginning of year	$ 585,731	$ 1,410,645	$ 1,996,376
Contributions	-	-	-
Transfer of funds	-	-	-
Investment return:	-	-	-
Investment income	-	-	-
Net appreciation of investment	150,075	-	150,075
Total investment return	150,075	-	150,075
Amounts appropriated for expenditure	-	-	-
Endowment net assets, end of year	$ 735,806	$ 1,410,645	$ 2,146,451

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Note 9 - Restrictions on Net Assets

The detail of purpose restricted and perpetual in nature net assets as of June 30, 2021 is as follows:

Purpose restricted net assets at June 30, 2021, are available for the following purposes:

Available for future periods	$	2,339,521
Available for scholarships		222,491
Investment return on permanently restricted net assets not yet appropriated for expenditure		424,480
	$	2,986,492

Perpetual in nature net assets consisted of the following at June 30, 2021:

Endowment funds	$	1,530,645
	$	1,530,645

Net assets released from restriction as of June 30, 2021

Funds available for the year	$	44,878
Purchase of equipment and supplies		125,234
Scholarships provided		461,897
Grants awarded		401,822
	$	1,033,831

The detail of purpose restricted and perpetual in nature net assets as of June 30, 2020 is as follows:

Purpose restricted net assets at June 30, 2020, are available for the following purposes:

Available for future periods	$	1,783,308
Available for scholarships		323,524
Investment return on permanently restricted net assets not yet appropriated for expenditure		150,075
	$	2,256,907

Perpetual in nature net assets consisted of the following at June 30, 2020:

Endowment funds	$	1,410,645
	$	1,410,645

Net assets released from restritction as of June 30, 2020

Funds available for the year	$	169,076
Purchase of equipment and supplies		118,698
Scholarships provided		522,690
Grants awarded		733,677
	$	1,544,141

Note 10 - Funds Raised on Behalf of Victor Valley College

The amount of grants, contract and community education funds raised on behalf of Victor Valley College that did not go directly through our books and went straight to Victor Valley College is $3,050,000 and $1,013,636 for the fiscal years ended June 30, 2021 and June 30, 2020, respectively.

During the year ended June 30, 2021 Victor Valley College received a five-year grant from the U.S. Department of Education to improve institutional stability and opportunities for Hispanic and low-income students. As a part of the grant agreement the Foundation has made the commitment to raise non-federal funds of $120,000 annually for the endowment. The income from this endowment will be used to support Victor Valley College in perpetuity.

Note 11 - Event and Other Revenue

The following identifies the gross event revenue and direct event expenses:

	6/30/21	6/30/20
Event revenue	$ 134,996	$ 124,917
Less: Direct expenses	67,737	116,094
Event revenue (net)	$ 67,259	$ 8,823

Note 12 - In-Kind Contributions

The Foundation received the following in-kind contributions for the year:

	6/30/21	6/30/20
Donated advertising	$ -	$ 775
Donated office equipment	1,169	-
Donated equipment / supplies	34,885	26,989
Donated hospitality	263	1,499
Donated rent	141,158	170,643
Donated utilities	64,500	60,080
	$ 241,975	$ 259,986

Note 13 - Contingencies

COVID-19

On March 11, 2020, the World Health Foundation declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. While the business disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the orders. The Foundation has adapted its methods for providing services in order to continue operations and serve its constituents. Management is carefully monitoring the situation and evaluating its options during this time. It is possible that this matter may negatively impact the Foundation, however, the ultimate financial impact and duration cannot be estimated at this time, and no adjustments have been made to these financial statements as a result of this uncertainty.

Note 14 - Subsequent Events

Management has evaluated activity of the Foundation through November 4, 2021, the date on which the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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