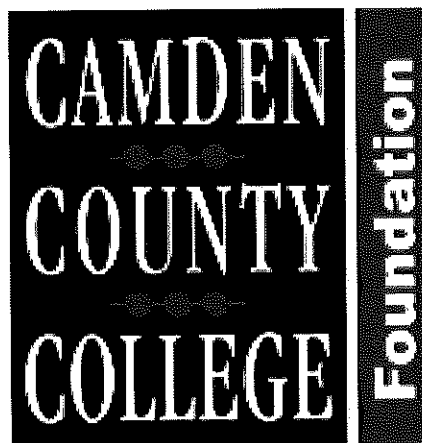


**CAMDEN COUNTY COLLEGE FOUNDATION**  
**FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2019 and 2018**



**CAMDEN COUNTY COLLEGE FOUNDATION  
AUDITED FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
Camden County College Foundation  
Blackwood, New Jersey 08012

### Report on the Financial Statements

We have audited the accompanying financial statements of Camden County College Foundation (a nonprofit organization) which comprise the statement of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the fiscal 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 audits 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 Camden County College Foundation as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

### *Adoption of New Accounting Principle*

In addition, as discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2019, Camden County College Foundation adopted new accounting guidance, Accounting Standards Update No. 2016-14 – Not-for-Profit Entities (Topic 958) - *Presentation of Financials Statements of Not-For-Profit Entities*. Our opinion is not modified with respect to this matter.

### Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of William G. Rorher Charitable Foundation Activity, Schedule 1, as listed in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit 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 Schedule of William G. Rorher Charitable Foundation Activity, Schedule 1, is fairly stated in all material respects in relation to the financial statements as a whole.

*Bowman & Company LLP*

Bowman & Company LLP  
Certified Public Accountants  
& Consultants

Voorhees, New Jersey  
January 15, 2020

## CAMDEN COUNTY COLLEGE FOUNDATION

## Statements of Financial Position

As of June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 133,788.83	\$ 267,406.42
Investments	2,212,313.35	1,781,615.55
Promises to Give Receivable	<u>120,000.00</u>	<u>240,000.00</u>
<b>Total Assets</b>	<u><u>\$ 2,466,102.18</u></u>	<u><u>\$ 2,289,021.97</u></u>
<b>Liabilities:</b>		
Accounts Payable	<u>\$ 51,916.36</u>	<u>\$ 111,459.25</u>
<b>Net Assets:</b>		
Without Donor Restrictions:		
Undesignated	397,350.83	164,301.71
With Donor Restrictions:		
Purpose Restrictions	956,220.94	1,019,838.91
Perpetual in Nature	<u>1,060,614.05</u>	<u>993,422.10</u>
<b>Total Net Assets</b>	<u><u>2,414,185.82</u></u>	<u><u>2,177,562.72</u></u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 2,466,102.18</u></u>	<u><u>\$ 2,289,021.97</u></u>

The accompanying notes to financial statements are an integral part of this statement.

**CAMDEN COUNTY COLLEGE FOUNDATION**  
 Statements of Activities  
 For the Fiscal Years Ended June 30, 2019 and 2018

	June 30, 2019		June 30, 2018			
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support:						
Special Events (net of Costs of Direct Benefits to Donors of \$51,640.64 in 2019 and \$71,709.13 in 2018)	\$ 58,038.47	\$ -	\$ 58,038.47	\$ 85,440.61	\$ -	\$ 85,440.61
Investment Return	144,641.13	32,070.56	176,711.69	68,289.71	30,599.12	98,888.83
Contributed Services	140,786.11		140,786.11	143,513.12		143,513.12
Contributed Office Space	1,425.00		1,425.00	1,425.00		1,425.00
Contributions:						
Scholarship Support		150,102.85	150,102.85	18,212.69	497,675.38	515,888.07
Building and Improvement Campaign		57,755.23	57,755.23	29,450.09	135,317.22	135,317.22
Academic Enhancement	147,622.52		147,622.52	288,482.09	(288,482.09)	29,450.09
Net Assets Released from Restrictions	236,354.66	(236,354.66)		634,813.31	375,109.63	1,009,922.94
Total Revenues, Gains, and Other Support	728,867.89	3,573.98	732,441.87	240,760.71	326,979.27	326,979.27
Expenses:						
Program Services	240,760.71		240,760.71	90,512.99	136,031.77	136,031.77
Supporting Services:						
Management and General	90,512.99		90,512.99	164,545.07	149,048.28	149,048.28
Fundraising	164,545.07		164,545.07	255,058.06	-	255,058.06
Total Expenses	255,058.06	-	255,058.06	495,818.77	612,059.32	612,059.32
Change in Net Assets	233,049.12	3,573.98	236,623.10	22,753.99	375,109.63	397,863.62
Net Assets at Beginning of Year	164,301.71	2,013,261.01	2,177,562.72	141,547.72	1,638,151.38	1,779,699.10
Net Assets at End of Year	\$ 397,350.83	\$ 2,016,834.99	\$ 2,414,185.82	\$ 164,301.71	\$ 2,013,261.01	\$ 2,177,562.72

The accompanying notes to financial statements are an integral part of this statement.

**CAMDEN COUNTY COLLEGE FOUNDATION**  
 Statements of Functional Expenses  
 For the Fiscal Years Ended June 30, 2019 and 2018

	June 30, 2019			June 30, 2018		
	Program Services	Supporting Services		Program Services	Supporting Services	
		Management and General	Fundraising		Management and General	Fundraising
Camden County College Program Support:						
Scholarships	\$ 166,031.86	\$ -	\$ -	\$ 229,083.87	\$ -	\$ 229,083.87
Direct Support to College	74,728.85			97,895.40		97,895.40
Salaries and Benefits	52,168.74	140,533.73		70,316.23	123,531.02	193,847.25
Occupancy	1,282.50	142.50		1,282.50	142.50	1,425.00
Professional Services	25,447.50			23,592.50		23,592.50
Other General Expenses	11,614.25	23,868.84		40,840.54	25,374.76	66,215.30
	<u>240,760.71</u>	<u>90,512.99</u>	<u>164,545.07</u>	<u>326,979.27</u>	<u>136,031.77</u>	<u>612,059.32</u>
Direct Benefits to Donors			51,640.64		71,709.13	71,709.13
Total Expenses	<u>\$ 240,760.71</u>	<u>\$ 90,512.99</u>	<u>\$ 216,185.71</u>	<u>\$ 326,979.27</u>	<u>\$ 136,031.77</u>	<u>\$ 683,768.45</u>

The accompanying notes to financial statements are an integral part of this statement.

**CAMDEN COUNTY COLLEGE FOUNDATION**  
**Statements of Cash Flows**  
For the Fiscal Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 236,623.10	\$ 397,863.62
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By (Used in) Operating Activities:		
Unrealized Gain on Investments	(102,193.10)	(8,232.58)
Realized Gain (Losses) on Investments	(39,121.48)	(57,704.64)
Contributed Stock	(26,095.45)	(4,962.62)
Changes in Operating Assets and Liabilities:		
Other Receivables	120,000.00	(240,000.00)
Accounts Payable	<u>(59,542.89)</u>	<u>31,452.13</u>
Net Cash Provided By (Used in) Operating Activities	<u>129,670.18</u>	<u>118,415.91</u>
Cash Flows from Investing Activities:		
Purchase of Investments	(823,772.64)	(447,602.87)
Proceeds from Sale of Investments	<u>560,484.87</u>	<u>475,670.07</u>
Net Cash Provided by (Used In) Investing Activities	<u>(263,287.77)</u>	<u>28,067.20</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(133,617.59)	146,483.11
Cash and Cash Equivalents at Beginning of Year	<u>267,406.42</u>	<u>120,923.31</u>
Cash and Cash Equivalents at End of Year	<u>\$ 133,788.83</u>	<u>\$ 267,406.42</u>

The accompanying notes to financial statements are an integral part of this statement.



**CAMDEN COUNTY COLLEGE FOUNDATION**  
Notes to Financial Statements  
For the Fiscal Years Ended June 30, 2019 and 2018

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**Note 1: NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization and Nature of Activities

Camden County College Foundation (the "Foundation") exists to enhance Camden County College's (the "College") tradition of academic excellence. Its purpose is to provide additional resources to support the comprehensive mission of the College. Specifically, additional resources provided by the Foundation support four areas critical to College excellence and to ensure student access to college-level study: student scholarships for those with financial need and special talents; academic equipment to ensure that students and faculty are applying skills using state-of-the-art technologies; faculty and staff development to ensure that the College's investment in its human resources is equivalent to its investment in physical and technological resources; and innovation to support strategic initiatives that are related to the continuing development and excellence of the College.

Although the Foundation is a legally separate, non-for-profit organization, because of the significance of its operational and financial relationships with the College it is considered a component unit of the College.

The Foundation is governed by an independent, twenty-five member volunteer board of trustees, with additional honorary trustees, as approved.

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.

Financial Statement Presentation

The Foundation's financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – net assets that are not subject to donor-imposed stipulations. This includes funds that are designated for discretionary use by the Foundation.

Net assets with donor restrictions – net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increased 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 statement of activities.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Foundation places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation covers \$250,000.00 for substantially all depository accounts.

Note 1: NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Investments

The Foundation reports all investments in marketable securities with readily determinable fair values and all investments in debt securities at fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in restricted net assets with donor restrictions until the restrictions are met.

Alternative investments are stated at fair value based on valuations provided by the general partner. Individual investment holdings within the alternative investment may include investments in both nonmarketable and market-traded securities. The Foundation has adopted the provisions provided for in the Financial Accounting Standards Board ("FASB") Accounting Standards Update number 2009-12 – "Fair Value Measurements and Disclosures", in which the FASB developed a practical expedient, allowing the Foundation to record certain alternative investments at net asset value ("NAV"), without adjustment for restrictions, if any. Investment valuations may be based on estimates that require varying degrees of judgment where readily available fair values do not exist. Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses.

Promises to Give Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in the contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Income Taxes

The Foundation claims exemption from federal and state income taxes under section 501(c) (3) of the Internal Revenue Code and, accordingly, does not record a provision for income taxes on related income. The Foundation is eligible to receive a charitable contribution deduction under Section 170(b)(1)(A) and is classified as an organization other than a private foundation under Section 509(a)(2).

The Foundation regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in its financial statements, with regard to issues affecting its tax exempt status, unrelated business income, and related matters. The Foundation believes that in the event of an examination by taxing authorities, the Foundation's positions would prevail based upon the technical merits of such positions. Therefore, the Foundation has concluded that no tax benefits or liabilities are required to be recognized in accordance with the new requirements.

Fair Value Measurement

The Foundation follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements.

Contributed Equipment

Contributed equipment is recorded at the estimated fair market value at the date of the receipt. All contributed equipment that is turned over to the Foundation for their use and is not capitalized.

Contributed Services, Materials and Facilities

The Foundation receives contributed services from a variety of personnel who are employed by the College. In addition, the Foundation also occupies office space on the College campus. No rent is paid by the Foundation. The value of these services and facilities has been reflected in the statement of activities.

Note 1: **NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Allowance for Uncollectible Promises to Give

Promises to give receivable are stated net of an allowance for uncollectible promises. The Foundation estimates the allowance based on an analysis of specific donors, taking into consideration the age of past due amounts and an assessment of the donor's ability to pay. The Foundation has determined that there was no allowance for doubtful accounts required for receivables at June 30, 2019 and 2018.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restriction if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of 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

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 statements 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.

Reclassifications

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

Recently Issued and Adopted Accounting Pronouncements

Presentation of Financial Statements of Not-for-Profit Entities – Issued in August 2016, Accounting Standards Update (ASU) No. 2016-14 (Topic 958). This pronouncement is intended to improve the presentation of financial statements of not-for-profit (NFP) entities and provide more useful information to donors, grantors, and other users. The ASU eliminates the distinction between resources with permanent restrictions and those with temporary restrictions from the face of NFP financial statements by reducing the current three net asset classes (unrestricted, temporarily restricted, and permanently restricted) to two classes (net assets with donor restrictions and net assets without donor restrictions). The ASU also requires additional information to be disclosed about investment return, expense classifications, liquidity and availability of resources, and presentation of operating cash flows. The Adoption of this pronouncement required the Foundation to re-classify net assets from unrestricted, temporarily restricted and permanently restricted to net assets with donor restrictions and net assets without donor restrictions. Additionally, the Foundation was required to include additional note disclosure.

Note 1: **NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Recently Issued Accounting Pronouncements**

On May 28, 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The update will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU No. 2015-14 which defers the effective date of ASU No. 2014-09 one year making it effective for the year's beginning after December 15, 2018. The Foundation is currently evaluating the effect implementation of ASU No. 2014-09 will have on its financial statements.

In June 2018, the Financial Accounting Standards Board issued ASU 2018-08. The new guidance clarifies what is an exchange transaction, of which revenues would be reported under Topic 606, and what is a contribution reported under Topic 958. The Foundation is currently evaluating the effect implementation of ASU No. 2018-08 will have on its financial statements.

**Subsequent Events**

The Foundation has evaluated events and transactions through January 15, 2020, the date the financial statements were available to be issued, and determined there were no items requiring recognition or disclosure in the financial statements.

Note 2: **CONCENTRATION OF CREDIT RISK FOR CASH AND INVESTMENTS**

The Foundation maintains cash balances in their banking institutions, which are insured by the Federal Deposit Insurance Corporation (F.D.I.C) up to \$250,000.00 per institution. At June 30, 2019 and 2018, the Foundation's balance did not exceed the insured limit.

In addition, the Foundation invests in the Morgan Stanley money market funds. These funds are not insured by the F.D.I.C. At June 30, 2019 and 2018, the balance in these funds totaled \$37,746.03 and \$140,617.71, respectively.

Note 3: **INVESTMENTS**

Investments, stated at fair value, are composed of the following as of June 30, 2019 and 2018, respectively:

	<u>2019</u>	<u>2018</u>
Marketable Securities:		
Corporate Stocks	\$ 799,158.38	\$ 788,943.82
Corporate Bonds and Notes	631,105.56	538,309.58
Preferred Securities	273,901.95	267,809.45
Exchange Traded & Close End Funds	375,704.27	
Nonmarketable Securities:		
Alternative Investments	<u>132,443.19</u>	<u>186,552.70</u>
Total	<u>\$ 2,212,313.35</u>	<u>\$ 1,781,615.55</u>

The following summarizes the investment returns as of June 30, 2019 and 2018, respectively:

	<u>2019</u>	<u>2018</u>
Interest and Dividends	\$ 57,426.83	\$ 53,061.42
Investment Fees	<u>(22,029.72)</u>	<u>(20,109.81)</u>
Net Interest and Dividends	35,397.11	32,951.61
Realized Gains	39,121.48	57,704.64
Unrealized Gains	<u>102,193.10</u>	<u>8,232.58</u>
Total Gains	<u>141,314.58</u>	<u>65,937.22</u>
Total Investment Return	<u>\$ 176,711.69</u>	<u>\$ 98,888.83</u>

Note 4: FAIR VALUE MEASUREMENT

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures", established a hierarchy for inputs used in measuring fair value that maximized the use of observable inputs and minimized the use of unobservable inputs, requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as the Foundation would use in pricing the Foundation's assets or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the Foundation are traded. The Foundation estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets would use as determined by the money managers for each investment based on best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable as follows:

Level 1

Valuation based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2

Valuation based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly.

Level 3

Valuation based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

The assets 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. Any transfer between fair value hierarchy levels is recognized by the Foundation at the end of each reporting period.

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis. There have been no changes to the methodologies used at June 30, 2019 and 2018.

- Corporate Stocks – Valued at quoted market prices in active markets on which individual securities are traded.
- Corporate Bonds and Notes – Valued based upon quotes from independent pricing vendors based upon independent pricing models or other model-based valuation techniques such as present value of the stream of expected cash flows adjusted for the security's credit rating and other factors such as credit loss assumptions.
- Preferred Securities – Valued at quoted market prices in active markets on which individual securities are traded.
- Exchange Traded & Close End Funds – Valued at quoted market prices in active markets on which individual securities are traded.
- Alternative investments – include hedge funds estimated by using the NAV provided by the fund's managers. The Foundation generally records alternative investment at NAV provided by the fund's managers, as the managers have the greatest insight into their investments of their funds and related industry. The Foundation's determination of fair value is based upon the best available information provided by the investment manager and may incorporate management assumptions and best estimates after considered a variety of internal and external factors.

Note 4: **FAIR VALUE MEASUREMENT (CONT'D)**Fair Value on a Recurring Basis

The following tables below present the fair value of financial instruments as measured on a recurring basis as of June 30, 2019 and 2018.

		2019		
		Fair Value		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
<u>Total</u>				
Corporate Stocks:				
Technology	\$ 138,827.18	\$ 138,827.18		
Financial	167,184.41	167,184.41		
Industrial Goods	100,489.16	100,489.16		
Consumer Goods	127,035.30	127,035.30		
Basic Materials	122,474.47	122,474.47		
Services	41,734.40	41,734.40		
Utilities	18,328.00	18,328.00		
Healthcare	83,085.46	83,085.46		
Preferred Securities	273,901.95	273,901.95		
Exchange Traded & Close End Funds	375,704.27	375,704.27		
Corporate Bonds and Notes:				
Corporate Bonds:				
(AAA to A)	350,124.33		\$ 350,124.33	
(BBB to BBB-)	176,626.35		176,626.35	
Fixed-Rate Capital Securities (BBB to BBB-)	104,354.88		104,354.88	
<hr/>				
Total Investments in the Fair Value Hierarchy	\$ 2,079,870.16	\$ 1,448,764.60	\$ 631,105.56	\$ -
<hr/>				
Hedge Funds at Net Asset Value (NAV)	132,443.19			
<hr/>				
Total Investments at Fair Value	\$ 2,212,313.35			

Note 4: **FAIR VALUE MEASUREMENT (CONT'D)**Fair Value on a Recurring Basis (Cont'd)

2018

	<u>Total</u>	<u>Fair Value</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Other Unobservable Inputs (Level 3)</u>
Corporate Stocks:				
Technology	\$ 134,927.64	\$ 134,927.64		
Financial	144,828.90	144,828.90		
Industrial Goods	106,345.38	106,345.38		
Consumer Goods	157,474.05	157,474.05		
Basic Materials	127,039.24	127,039.24		
Services	31,716.99	31,716.99		
Utilities	20,303.70	20,303.70		
Healthcare	100,902.91	100,902.91		
Preferred Securities	267,809.45	267,809.45		
Corporate Bonds and Notes:				
Corporate Bonds:				
(AAA to A)	260,170.68		\$ 260,170.68	
(BBB to BBB-)	151,969.25		151,969.25	
Fixed-Rate Capital Securities				
(AAA to A)				
(BBB to BBB-)	91,574.66		91,574.66	
 Total Investments in the Fair Value Hierarchy	 \$ 1,595,062.85	 \$ 1,091,348.26	 \$ 503,714.59	 \$ -
Hedge Funds at Net Asset Value (NAV)	<u>186,552.70</u>			
Total Investments at Fair Value	<u>\$ 1,781,615.55</u>			



Note 5: ENDOWMENT FUNDS

The Foundation's endowment consists of approximately 100 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Foundation Board to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Foundation Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation has interpreted state law as requiring the preservation of the 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 permanently restricted net assets (a) the original value of gifts donated to the 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 in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by state law.

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 fund
- (2) The purposes of the Foundation and the donor-restricted endowment fund
- (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
- (7) The investment policies of the Foundation.

Endowment Net Asset Composition by Type of Fund as of June 30, 2019 and 2018:

	<u>June 30,</u>	
	<u>2019</u>	<u>2018</u>
	<u>With Donor Restrictions</u>	<u>With Donor Restrictions</u>
Donor Restricted:		
Endowment Funds	<u>\$ 1,060,614.05</u>	<u>\$ 993,422.10</u>

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Foundation Board, the endowment assets are invested in a manner that seeks long-term capital growth, current income and growth of income, consistent with prudent, conservative, and risk-averse investments for its endowment. The endowment investments may be invested in any combination of common stocks, bond funds or mutual funds containing both stocks and bonds.

Note 5: **ENDOWMENT FUNDS (CONT'D)**

To satisfy its long-term objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term objectives within prudent risk constraints.

The Foundation has a spending policy to distribute earnings equal to between 3% and 5% of an endowment's principal as of June 30 of the prior year. Should a downturn in the market prevail, the Foundation will spend the lesser of the dividend and interest income for the preceding four quarters or the calculated spending rate.

The following table provides information regarding the change in endowment net assets for the year ended 2019 and 2018:

	<u>With Donor Restrictions</u>	
	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Endowment Net Assets - Beginning of Year	\$ 993,422.10	\$ 882,866.98
Investment Income	9,517.55	10,082.12
Contributions	<u>57,674.40</u>	<u>100,473.00</u>
Endowment Net Assets - End of Year	<u>\$ 1,060,614.05</u>	<u>\$ 993,422.10</u>

Note 6: **CONTRIBUTED SERVICES**

The Foundation receives contributed services from a variety of personnel who are employed by College. Additionally, the Foundation receives contributed office space from the College. The value of these services shown below has been reflected in the Statements of Activities and Changes in Net Assets. For the fiscal years ending June 30, 2019 and June 30, 2018 the value of the services was \$140,786.11 and \$143,513.12, respectively. The value of the contributed office space was \$1,425.00 for both fiscal years ending June 30, 2019 and 2018.

Note 7: **PROMISES TO GIVE RECEIVABLE**

Promises to give receivable consist of the following balances as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Promises to Give Receivable	\$ 120,000.00	\$ 240,000.00
Allowance for Uncollectable Promises to Give	<u>-</u>	<u>-</u>
Total	<u>\$ 120,000.00</u>	<u>\$ 240,000.00</u>
Amounts due in:		
Less than One Year	\$ 120,000.00	\$ 120,000.00
One to Five Years	<u>-</u>	<u>120,000.00</u>
	<u>\$ 120,000.00</u>	<u>\$ 240,000.00</u>

Note 8: **NET ASSETS WITH DONOR RESTRICTIONS**

As of June 30, 2019 and 2018, net assets with donor restrictions, consisted of the following:

	<u>2019</u>	<u>2018</u>
With Donor Restrictions - Purpose Restrictions:		
Scholarships	\$ 779,239.74	\$ 825,884.09
Athletics	13,944.17	13,234.48
Liberal Arts	53,358.64	65,898.32
Continuing Ed/ Basic Skills	7,492.60	14,327.60
Math, Science & Health Career	68,209.59	63,508.86
Student Services	33,976.20	36,985.56
	<u>956,220.94</u>	<u>1,019,838.91</u>
With Donor Restrictions - Perpetual in Nature:		
Endowments	<u>1,060,614.05</u>	<u>993,422.10</u>
	<u>\$ 2,016,834.99</u>	<u>\$ 2,013,261.01</u>

Note 9: **AVAILABILITY AND LIQUIDITY**

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs.

The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The tables below present financial assets available for general expenditures within one year at June 30, 2019 and 2018:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Financial assets at year end:		
Cash and Cash Equivalents	\$ 133,788.83	\$ 267,406.42
Investments	2,212,313.35	1,781,615.55
Promises to Give Receivable	120,000.00	240,000.00
	<u>2,466,102.18</u>	<u>2,289,021.97</u>
Less amounts not available to be used within one year:		
Promises to Give Receivable (2-5 years)		(120,000.00)
Investments held for Permanent Endowments	<u>(1,060,614.05)</u>	<u>(993,422.10)</u>
Financial assets not available to be used within one year	<u>(1,060,614.05)</u>	<u>(1,113,422.10)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,405,488.13</u>	<u>\$ 1,175,599.87</u>

**NOTE 10: FUNCTIONALIZED EXPENSES**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, which is allocated on a square footage basis, as well as salaries and benefits, professional services and other general expenses, which are allocated on the basis of estimates of time and effort.

**NOTE 11: DIRECT SUPPORT TO COLLEGE**

The Foundation provided direct support to the College during the fiscal years ended June 30, 2019 and 2018, respectively, for the following:

	<u>2019</u>	<u>2018</u>
Athletics Program	\$ 30,732.51	\$ 18,794.14
Liberal Arts Program	24,477.68	4,802.83
Continuing Education / Basic Skills Program	6,835.00	67,084.50
Math, Science and Health Careers Programs	10,942.32	5,621.93
Student Services	1,741.34	1,592.00
	<u>\$ 74,728.85</u>	<u>\$ 97,895.40</u>

**CAMDEN COUNTY COLLEGE FOUNDATION**  
Schedule of William G. Rohrer Charitable Foundation Activity  
For the Fiscal Year Ended June 30, 2019

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Pledges Receivable Balance	
Balance June 30, 2018	\$ 240,000.00
Cash Received	<u>(120,000.00)</u>
Balance June 30, 2019	<u>\$ 120,000.00</u>
Temporarily Restricted Net Asset Balance (To be Used for Scholarships)	
Balance June 30, 2018	\$ 333,147.61
Scholarships Disbursed	<u>(66,250.00)</u>
Balance June 30, 2019	<u>\$ 266,897.61</u>

