

***West Virginia Northern
Community College
Foundation, Inc.***

*Financial Statements as of and for the Years
Ended June 30, 2011 and 2010 and
Independent Auditors' Report*



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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
West Virginia Northern Community College Foundation, Inc.

We have audited the accompanying statements of financial position of West Virginia Northern Community College Foundation, Inc. (the "Foundation") (a nonprofit corporation) as of June 30, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Foundation, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2011 and 2010, and the 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.

Costanzo & Associates, PLLC

September 22, 2011

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION JUNE 30, 2011 AND 2010

	2011	2010
ASSETS		
Cash	\$ 14,379	\$ 70,403
Unconditional promises to give	12,500	62,598
Accounts receivable	4,405	1,190
Notes receivable from West Virginia Northern Community College-Current	15,023	21,919
Investments at fair value	2,370,178	1,834,516
Prepaid expenses	3,753	2,463
Other current assets	2,272	3,791
Notes receivable from West Virginia Northern Community College-Long Term	<u>7,855</u>	<u>32,549</u>
TOTAL	<u>\$ 2,430,365</u>	<u>\$ 2,029,429</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable	\$ 4,635	\$ 3,020
Total liabilities	<u>4,635</u>	<u>3,020</u>
NET ASSETS:		
Unrestricted	380,974	379,056
Temporarily restricted	1,498,276	1,150,533
Permanently restricted	<u>546,480</u>	<u>496,820</u>
Total net assets	<u>2,425,730</u>	<u>2,026,409</u>
TOTAL	<u>\$ 2,430,365</u>	<u>\$ 2,029,429</u>

See notes to financial statements.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE FOUNDATION, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUES:				
Grants and donations	\$ 15,146	\$ 377,469	\$ 49,660	\$ 442,275
Dividend and interest income	8,291	32,505		40,796
Special events fundraisers	\$ 27,626			
Less costs of direct benefits to donors	<u>(12,143)</u>	15,483		15,483
Investment gain	52,758	128,438		181,196
Net assets released from restrictions—				
Satisfaction of program restrictions	<u>190,669</u>	<u>(190,669)</u>	<u> </u>	<u> </u>
Total support and revenues	<u>282,347</u>	<u>347,743</u>	<u>49,660</u>	<u>679,750</u>
EXPENSES:				
WV Northern Community College support:				
Scholarships/Student Assistance	41,635			41,635
Capital Improvements	17,250			17,250
Institutional Support	133,810			133,810
Fundraising	61,018			61,018
Management and general	<u>26,716</u>	<u> </u>	<u> </u>	<u>26,716</u>
Total expenses	<u>280,429</u>	<u> </u>	<u> </u>	<u>280,429</u>
CHANGE IN NET ASSETS	1,918	347,743	49,660	399,321
NET ASSETS—Beginning of year	<u>379,056</u>	<u>1,150,533</u>	<u>496,820</u>	<u>2,026,409</u>
NET ASSETS—End of year	<u>\$ 380,974</u>	<u>\$ 1,498,276</u>	<u>\$ 546,480</u>	<u>\$ 2,425,730</u>

See notes to financial statements.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE FOUNDATION, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUES:				
Grants and donations	\$ 16,614	\$ 300,579	\$ 37,994	\$ 355,187
Dividend and interest income	9,380	29,078		38,458
Special events fundraisers	\$ 24,608			
Less costs of direct benefits to donors	<u>(5,851)</u>	18,757		18,757
Investment gain	28,086	30,136		58,222
Net assets released from restrictions—				
Satisfaction of program restrictions	<u>281,516</u>	<u>(281,516)</u>	<u> </u>	<u> </u>
Total support and revenues	<u>354,353</u>	<u>78,277</u>	<u>37,994</u>	<u>470,624</u>
EXPENSES:				
WV Northern Community College support:				
Scholarships/Student Assistance	18,836			18,836
Capital Improvements	54,000			54,000
Institutional Support	145,878			145,878
Fundraising	3,246			3,246
Management and general	<u>46,081</u>	<u> </u>	<u> </u>	<u>46,081</u>
Total expenses	<u>268,041</u>	<u> </u>	<u> </u>	<u>268,041</u>
CHANGE IN NET ASSETS	86,312	78,277	37,994	202,583
NET ASSETS—Beginning of year	<u>292,744</u>	<u>1,072,256</u>	<u>458,826</u>	<u>1,823,826</u>
NET ASSETS—End of year	<u>\$ 379,056</u>	<u>\$ 1,150,533</u>	<u>\$ 496,820</u>	<u>\$ 2,026,409</u>

See notes to financial statements.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE FOUNDATION, INC.

STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES—		
Increase (decrease) in net assets	\$ 399,322	\$ 202,583
Adjustments to reconcile change in net assets to cash flows provided by operating activities:		
Net realized loss on investments	3,961	3,965
Net unrealized gain on investments	(185,157)	(62,187)
(Increase) decrease in operating assets		
Unconditional promises to give	50,098	21,922
Accounts Receivable	(3,215)	(1,190)
Prepaid expenses and other current assets	229	3,325
Increase (decrease) in operating liabilities		
Accounts payable and other accrued liabilities	1,614	(2,586)
	<hr/>	<hr/>
Net cash provided by operating activities	266,852	165,832
CASH FLOWS FROM INVESTING ACTIVITIES—		
Proceeds from sale and maturities of investments	173,930	458,237
Purchase of investments	(528,396)	(581,360)
	<hr/>	<hr/>
Cash used in investing activities	(354,466)	(123,123)
CASH FLOWS FROM FINANCING ACTIVITIES—		
Payments received on notes receivable - the College	31,590	20,646
	<hr/>	<hr/>
Cash provided by investing activities	31,590	20,646
INCREASE IN CASH AND CASH EQUIVALENTS	(56,024)	63,355
CASH — Beginning of year	<hr/> 70,403	<hr/> 7,048
CASH — End of year	<hr/> <u>\$ 14,379</u>	<hr/> <u>\$ 70,403</u>

See notes to financial statements.

WEST VIRGINIA NORTHERN COMMUNITY COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2011 and 2010

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of activities - West Virginia Northern Community College Foundation, Inc. (the "Foundation") is a not-for-profit corporation organized under the laws of the State of West Virginia. The Foundation is classified as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation was organized to support and assist in the development and growth of West Virginia Northern Community College ("the College") for all aspects of its programs and services. The Foundation's mission "...seeks, receives and manages private funds to increase the College's capabilities in the areas of institutional development, professional development, capital facilities and equipment, and financial assistance to students." Oversight of the Foundation is the responsibility of a separate and independently elected Board of Trustees not otherwise affiliated with the College. The President of the College is a non-voting member of the Board of Trustees. In carrying out its responsibilities, the Board of Trustees of the Foundation oversees management, forms policy and maintains fiscal accountability over funds administered by the Foundation. Although West Virginia Northern Community College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, which the Foundation holds and invests, is restricted to the activities of the College by the donors. During the years ended June 30, 2011 and 2010, the Foundation contributed \$41,635 and \$18,836, respectively, to the college for scholarships and grants.

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

Basis of Presentation - The Foundation reports its financial position and activities according to standards established by the Financial Accounting Standards Board (FASB). Accordingly, the Foundation has classified its net assets and its revenue, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Under FASB, the Foundation is required to report its financial position and activities according to three classes of net assets. Below is a summary of those classifications:

Unrestricted – Assets and contributions that are not restricted by donors or for which restrictions have expired are unrestricted.

Temporarily restricted – Assets and contributions for which the donor has imposed restrictions that permit the Foundation to use or expend the donated assets for College support according to the restriction are temporarily restricted. The restrictions are satisfied either by the passage of time or by actions of the Foundation.

Permanently restricted – Assets and contributions for which the donor stipulates that funds be maintained permanently, but permits the Foundation to use or expend part or all of the income derived from the donated assets, are permanently restricted. Such assets are comprised of endowment funds, which are subject to the restrictions of the donor requiring that the principal be invested in perpetuity. The investment income, including realized and

unrealized gains and losses are recorded as temporarily restricted until they are released from restrictions by disbursement according to the terms of the gift instrument.

Both temporarily and permanently restricted net assets are to be used for the support and benefit of West Virginia Northern Community College.

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 reporting amounts and disclosures. Accordingly, actual results could differ from those estimates.

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 equivalents.

Contributions - All contributions are recorded at their estimated fair value and are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions of donated noncash assets are recorded at fair value in the period received. Donated services are recognized as contributions at their fair values in the period received in accordance with FASB, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

Promises to Give - Unconditional promises to give that are expected to be collected within one year are recorded at estimated 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-free interest rates for United States Government issues. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not recorded as support until the conditions are substantially met.

The Foundation uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Investments - Investments in equity securities and all debt securities are reported at their fair value based upon quoted market prices.

The Foundation operates a pooled investment portfolio consisting of common trust funds for all funds. New funds or additions to existing funds are assigned a share in the common trust fund investment pool based upon the amount of cash or estimated fair value of securities deposited. Income, including unrealized appreciation or depreciation and realized capital gains and losses, are allocated to unrestricted or temporarily restricted funds depending on whether the investment was established for general operating (unrestricted) or a specific purpose (temporarily restricted).

Notes Receivable - Notes receivable are carried at unpaid principal balances. Interest on loans is recognized over the term of the loan and is calculated using the simple-interest method on principal amounts outstanding.

2. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist primarily of receivables for the marketing, workforce development, and scholarship programs at June 30, 2011 and 2010. There are no allowances for uncollectible accounts at June 30, 2011 and 2010 as all unconditional promises to give are expected to be collected in full.

At June 30, 2011 and 2010 the receivable balances are as follows:

	2011	2010
Receivable in less than one year	\$ 12,500	\$ 57,660
Receivable in one to five years	-	5,000
Total unconditional promises to give	<u>12,500</u>	<u>62,660</u>
Less discount to net present value	<u>-</u>	<u>(62)</u>
Net unconditional promises to give	<u><u>\$ 12,500</u></u>	<u><u>\$ 62,598</u></u>

The discount rate used on long-term promises to give was based on risk-free rates of return at June 30, 2010.

3. NOTES RECEIVABLE

The Foundation leases land under a capital lease agreement to West Virginia Northern Community College. The following is a schedule by year of future annual minimum payments required under the lease obligations existing at June 30, 2011:

Year Ending June 30	
2012	\$ 15,987
2013	<u>7,993</u>
	23,980
Less interest	<u>(1,102)</u>
	<u><u>\$ 22,878</u></u>

4. INVESTMENTS

The cost and estimated fair values of investments at June 30, 2011 and 2010 are:

	2011		2010	
	<u>Cost</u>	<u>Estimated Fair Value</u>	<u>Cost</u>	<u>Estimated Fair Value</u>
U.S. Government Agency Obligations		\$ 477,064		\$ 529,970
Corporate Bonds and Notes		54,095		52,458
Equity Securities		1,050,039		670,072
Foreign Equity		68,774		58,747
Fixed Income Mutual Funds		124,151		123,225
Common Trust Fund Balance	1,839,433	1,774,123	1,684,939	1,434,472
Cash Equivalents	596,055	596,055	400,044	400,044
	<u>\$ 2,435,488</u>	<u>\$ 2,370,178</u>	<u>\$ 2,084,983</u>	<u>\$ 1,834,516</u>

Unrealized losses on investments amount to \$65,310 and \$250,467 at June 30, 2011 and 2010, respectively. Investment income and gains and losses on investments are reported as an increase or decrease in unrestricted net assets unless a donor or law temporarily or permanently restricts their use.

Twenty of the Twenty-Two Foundation investment funds are invested in a financial institution's common trust fund. The common trust fund balance reflects the aggregate cost basis that each of these investment funds has in the financial institutions common trust fund. The common trust fund fair market value reflects the market value of individual investments held by the fund at June 30, 2011 and 2010.

The Foundation, through a trust department, invests in cash equivalents and a common trust fund, which allows the Foundation to purchase domestic and foreign equities, fixed income and equity mutual funds, U.S. Government obligations, corporate bonds and commercial paper. "The Foundation's investment objective is to obtain maximum total return by balancing growth and income and assuming a prudent degree of risk to provide predictable income and achieve an appreciation of the capital after factoring for inflation." It is the Foundation's investment policy that no one company shall exceed ten percent of the equity portfolio. The Foundation cannot exceed ten percent investment in international equities and cannot be invested more than twenty-five percent in any one industry. Additionally, any fixed income investment cannot exceed ten years maturity.

The Foundation's spending policy states that income available for spending is determined by the Allocation Committee, unless the investment fund has a legal document stipulating otherwise. For scholarships, the Allocation Committee calculates 3% of the three year rolling fair market value average to determine the amount of student assistance available. Capital spending and institutional development spending is discretionary depending on adequate funding sources to maintain the expenditure level of the program. All income and appreciation not needed to meet the spending needs will be reinvested.

5. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Foundation follows FASB standard for using fair value to measure financial assets and financial liabilities. This standard applies whenever other standards require or permit assets or liabilities to be measured at fair value.

FASB establishes a three level hierarchy based on pricing availability in measuring fair values for assets and liabilities. These three levels are:

Level I – Quoted market prices are available in active trading markets for identical assets or liabilities as of the report date.

Level II – Pricing inputs other than quoted market prices are available in active trading markets as of the report date. These assets or liabilities have prices available but are traded less frequently, or are fair valued using other financial instruments, the parameters of which can be directly observed.

Level III – Assets or liabilities have little or no pricing observability as of the report date. These items are usually measured using management’s best estimate of fair value, where the inputs into the determination of fair value require significant management judgment or estimation.

The Foundation reports all investments at their fair value as of June 30, 2011 and 2010 under Level I of the hierarchy totaling \$2,370,178 and \$1,834,516, respectively. The Foundation holds no investments as of June 30, 2011 and 2010 under Levels II or III.

6. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Net assets were temporarily and permanently restricted for the following purposes at June 30, 2011 and 2010:

	2011		2010	
	Temporarily Restricted	Permanently Restricted	Temporarily Restricted	Permanently Restricted
Scholarships/Student Assistance	\$ 1,160,664	\$ 546,480	\$ 849,069	\$ 496,820
Capital Projects	31,723	-	27,942	-
Institutional Support	305,889	-	273,522	-
Totals	<u>\$ 1,498,276</u>	<u>\$ 546,480</u>	<u>\$ 1,150,533</u>	<u>\$ 496,820</u>

7. ENDOWMENTS

The Foundation discloses its endowment funds under the provisions of FASB, which provides guidance on the net asset classification of donor-restricted and board designated endowment funds for a nonprofit organization subject to an enacted version of the *Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA)*. The state of West Virginia has adopted the provisions of the UPMIFA.

The Foundation’s endowment consists of two individual funds established for scholarships. Its endowment is donor-restricted only. The Foundation holds no Board of Trustees designed endowments. As required by GAAP, net assets associated with endowment funds, are

classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation Board of Trustees has interpreted the UPMIFA as requiring the preservation of the fair value of the original contribution as of the contribution 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 contributions donated to the permanent endowment, and (b) the original value of subsequent contributions to the permanent endowment. Accumulations of interest, dividends, and market appreciation made in accordance with the direction of the applicable endowment instrument are classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation allocation committee in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to spend or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. Possible effects of inflation/deflation
5. Expected total return from income and the appreciation of investments
6. Other financial resources of the Foundation
7. Foundation investment policies (see footnote #4)

Endowment Net Asset composition as of June 30, 2011 and 2010 is as follows:

Endowment Net Assets Composition	<u>2011</u>	<u>2010</u>
Unrestricted	\$ -	\$ (26,493)
Temporarily restricted	40,665	14,062
Permanently restricted	<u>546,480</u>	<u>496,820</u>
Total Funds	<u>\$ 587,145</u>	<u>\$ 484,389</u>
Description of Amounts Classified as		
Temporarily and Permanently Restricted Net Assets	<u>2011</u>	<u>2010</u>
Permanently Restricted Net Assets		
Portion of perpetual endowment funds required to be retained by donor stipulation or UPMIFA	<u>\$ 546,480</u>	<u>\$ 496,820</u>
Temporarily Restricted Net Assets		
Term endowment funds	\$ 20,846	\$ 14,062
Portion of perpetual endowment funds subject to purpose restrictions	<u>19,819</u>	<u>-</u>
Total	<u>\$ 40,665</u>	<u>\$ 14,062</u>

Changes in Endowment Net Assets for the years ended June 30, 2011 and 2010 are as follows:

June 30, 2011	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (26,493)	\$ 14,062	\$ 496,820	\$ 484,389
Investment return:				
Investment income	-	10,923		10,923
Net appreciation (realized and unrealized)	<u>26,493</u>	<u>24,687</u>		<u>51,180</u>
Total investment return	26,493	35,610	-	62,103
Contributions	-	5,000	49,660	54,660
Appropriation of endowment assets for expenditure	-	(14,007)	-	(14,007)
Endowment net assets, end of year	<u><u>\$ -</u></u>	<u><u>\$ 40,665</u></u>	<u><u>\$ 546,480</u></u>	<u><u>\$ 587,145</u></u>
June 30, 2010	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (44,747)	\$ 10,011	\$ 458,826	\$ 424,090
Investment return:				
Investment income	-	10,782		10,782
Net appreciation (realized and unrealized)	<u>18,254</u>	<u>1,889</u>		<u>20,143</u>
Total investment return	18,254	12,671	-	30,925
Contributions	-	5,000	37,994	42,994
Appropriation of endowment assets for expenditure	-	(13,620)	-	(13,620)
Endowment net assets, end of year	<u><u>\$ (26,493)</u></u>	<u><u>\$ 14,062</u></u>	<u><u>\$ 496,820</u></u>	<u><u>\$ 484,389</u></u>

Funds with Deficiencies – From time to time, the fair value of assets associated with individual donor-restricted perpetual endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets were \$0 and \$26,493 as of June 30, 2011 and 2010, respectively. These deficiencies resulted from unfavorable market fluctuations during fiscal year ended June 30, 2010.

Return Objectives and Risk Parameters – The Foundation’s Board of Trustees has adopted investment and spending policies for endowment assets similar to those as described in investment footnote #4 identified for all investments of the Foundation. Such policies attempt to provide a predictable stream of funding the scholarship programs supported by its endowment while trying to achieve appreciation in excess of inflation rates. Actual returns in any given year may vary from this objective.

Strategies Employed for Achieving Objectives – To satisfy its long-term rate-of-return objective, Foundation investment strategies rely on a total return philosophy in which returns are achieved through both realized and unrealized capital appreciation and current investment yields. The Foundation seeks diversification of investments with an emphasis on equity-based investments to achieve this objective.

Spending Policy and How the Investment Objectives Relate to Spending Policy – The Foundation has a spending policy of appropriating 3% of the three-year rolling fair market value investment average. The Foundation expects the current spending policy to allow its endowment to grow in excess of this spending level. This is consistent with the Foundation’s objective to maintain the donor-required level of perpetual duration or for a specified term as well as to provide for additional real growth through new contributions and investment return.

8. SPECIAL EVENTS FUNDRAISERS

Various special events fundraisers were held during the year. Gross revenues and direct expenses related to those events are as follows at June 30, 2011 and 2010:

June 30, 2011	Golf Scramble	Other			Total	
Special event revenue	\$ 27,526	\$ 100			\$ 27,626	
Less: Costs of direct benefit to donors	(12,143)	-			(12,143)	
	<u>\$ 15,383</u>	<u>\$ 100</u>			<u>\$ 15,483</u>	
June 30, 2010	Golf Scramble	Auction	Social Networking			Total
Special event revenue	\$ 22,128	\$ 1,825	\$ 655			\$ 24,608
Less: Costs of direct benefit to donors	(5,710)	(101)	(40)			(5,851)
	<u>\$ 16,418</u>	<u>\$ 1,724</u>	<u>\$ 615</u>			<u>\$ 18,757</u>

9. **RELATED PARTY TRANSACTIONS**

A member of the Board of Trustees also provided legal services for the Foundation. \$225 was paid to the member's law firm for the fiscal year ended June 30, 2010.

10. **SUBSEQUENT EVENTS**

The Foundation assessed events occurring subsequent to June 30, 2011, through the date of this report for potential recognition and disclosure in the financial statements. No events have occurred that would require adjustment to or disclosure in the financial statements which were available to be issued September 22, 2011.