

Report of Independent Auditors  
and Financial Statements for  
**Aims Community College Foundation**  
June 30, 2025 and 2024

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Aims Community College Foundation  
Greeley, Colorado

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Aims Community College Foundation, (a Colorado nonprofit corporation), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Aims Community College Foundation as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Aims Community College Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Aims Community College Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Aims Community College Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Aims Community College Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**CliftonLarsonAllen LLP**

Denver, Colorado  
January 30, 2026



Aims Community College Foundation  
 Statements of Financial Position  
 June 30, 2025 and 2024

	2025	2024
<b>Assets</b>		
Cash and cash equivalents	\$ 5,050,509	\$ 6,243,476
Operating investments	3,532,259	1,211,752
Contributions receivable, net	61,993	67,172
Other receivables	54,159	70,817
<b>Endowment</b>		
Investments	6,845,616	6,384,497
Beneficial interest in perpetual trust	2,288,624	2,187,787
<b>Total assets</b>	<b>17,833,160</b>	<b>16,165,501</b>
<b>Liabilities</b>		
Accounts payable	142	539
Deposits held for Aims Community College	1,283,959	551,450
Unearned revenues	47,875	53,750
<b>Total liabilities</b>	<b>1,331,976</b>	<b>605,739</b>
<b>Net Assets</b>		
Without donor restrictions		
Board-designated endowment	495,619	455,521
Unrestricted	4,742,959	4,041,992
With donor restrictions	11,262,606	11,062,249
<b>Total net assets</b>	<b>16,501,184</b>	<b>15,559,762</b>
<b>Total liabilities and net assets</b>	<b>\$ 17,833,160</b>	<b>\$ 16,165,501</b>

# Aims Community College Foundation

## Statement of Activities

For the year ended June 30, 2025

	<u>Without</u> <u>Donor Restrictions</u>	<u>With</u> <u>Donor Restrictions</u>	<u>Total</u>
<b>Revenue, Support, and Gains</b>			
Contributions	\$ 19,702	\$ 636,751	\$ 656,453
In-kind contributions	375,767	202,658	578,425
Net investment revenue	425,785	527,978	953,763
Grants	-	32,958	32,958
Special events revenue	-	8,651	8,651
Net assets released from restrictions	<u>1,208,639</u>	<u>(1,208,639)</u>	<u>-</u>
Total revenue, support, and gains	<u>2,029,893</u>	<u>200,357</u>	<u>2,230,250</u>
<b>Expenses</b>			
Program services expense			
Student scholarships	369,097	-	369,097
Support for academic programs	185,361	-	185,361
Support for student services	121,961	-	121,961
Other college programs	<u>12,041</u>	<u>-</u>	<u>12,041</u>
Total program expenses	<u>688,460</u>	<u>-</u>	<u>688,460</u>
Supporting services expense			
Management and general	499,937	-	499,937
Fundraising and development	<u>100,431</u>	<u>-</u>	<u>100,431</u>
Total supporting services expenses	<u>600,368</u>	<u>-</u>	<u>600,368</u>
Total expenses	<u>1,288,828</u>	<u>-</u>	<u>1,288,828</u>
Change in Net Assets	741,065	200,357	941,422
Net Assets, Beginning of Year	<u>4,497,513</u>	<u>11,062,249</u>	<u>15,559,762</u>
Net Assets, End of Year	<u>\$ 5,238,578</u>	<u>\$ 11,262,606</u>	<u>\$ 16,501,184</u>

# Aims Community College Foundation

## Statement of Activities

For the year ended June 30, 2024

	<u>Without</u> <u>Donor Restrictions</u>	<u>With</u> <u>Donor Restrictions</u>	<u>Total</u>
<b>Revenue, Support, and Gains</b>			
Contributions	\$ 1,530,844	\$ 2,427,035	\$ 3,957,879
In-kind contributions	370,527	327,725	698,252
Net investment revenue	631,528	645,261	1,276,789
Grants	-	86,066	86,066
Special events revenue	-	2,867	2,867
Other revenues	19,250	-	19,250
Net assets released from restrictions	999,875	(999,875)	-
Total revenue, support, and gains	3,552,024	2,489,079	6,041,103
<b>Expenses</b>			
Program services expense			
Student scholarships	252,455	-	252,455
Support for academic programs	438,618	-	438,618
Support for student services	133,851	-	133,851
Other college programs	669	-	669
Total program expenses	825,593	-	825,593
Supporting services expense			
Management and general	397,943	-	397,943
Fundraising and development	94,897	-	94,897
Total supporting services expenses	492,840	-	492,840
Total expenses	1,318,434	-	1,318,434
Change in Net Assets	2,233,590	2,489,079	4,722,669
Net Assets, Beginning of Year	2,263,923	8,573,170	10,837,093
Net Assets, End of Year	\$ 4,497,513	\$ 11,062,249	\$ 15,559,762

Aims Community College Foundation  
Statement of Activities  
For the year ended June 30, 2024

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# Aims Community College Foundation

## Statements of Cash Flows

For the year ended June 30, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Cash received from donors	\$ 1,095,001	\$ 1,802,872
Interest and dividends received	371,727	278,234
Cash paid to support College programs	(485,802)	(497,868)
Cash paid to suppliers and other vendors	(224,998)	(124,065)
Net Cash provided by Operating Activities	755,928	1,459,173
Cash Flows from Investing Activities		
Purchases of operating investments	(6,990,139)	(89,433)
Proceeds from sales of operating investments	4,444,418	75,083
Net decrease (increase) in endowment investments	171,282	(224,537)
Net decrease in beneficial interest in perpetual trust	74,012	82,766
Net Cash used for Investing Activities	(2,300,427)	(156,121)
Cash Flows from Financing Activities		
Collection of contributions restricted to endowment	351,532	2,118,800
Net Cash provided by Financing Activities	351,532	2,118,800
Net Change in Cash and Cash Equivalents	(1,192,967)	3,421,852
Cash and Cash Equivalents, Beginning of Year	6,243,476	2,821,624
Cash and Cash Equivalents, End of Year	5,050,509	6,243,476
Reconciliation of Cash and Cash Equivalents to Statement of Financial Position		
Cash and cash equivalents	5,050,509	6,243,476
Total Cash and Cash Equivalents	\$ 5,050,509	\$ 6,243,476

## **NOTE 1—PRINCIPAL ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

### **Organization**

Aims Community College Foundation (the Foundation) is a not-for-profit organization incorporated in 1980 to assist in the promotion, development, and enhancement of the facilities, educational programs, and opportunities of faculty, staff, students, and alumni of Aims Community College (the College). The Foundation receives, manages, and invests contributions, gifts, and bequests, and applies the principal or income generated therefrom primarily for charitable, scientific, literary, or educational purposes which will directly or indirectly aid and benefit the College.

### **Cash and Cash Equivalents**

The Foundation considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to capital expenditures, permanent endowment, or other long-term purposes of the Foundation are excluded from this definition.

### **Contributions Receivable**

Contributions receivable expected to be collected within one year are recorded at estimated net realizable value. Contributions receivable expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. Management determines the allowance for uncollectable contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectable. After a thorough review of the contributions receivable as of June 30, 2025 and 2024, it was deemed that an allowance for doubtful accounts was not necessary. There were \$61,993 and \$67,172 in contributions receivable at June 30, 2025 and June 30, 2024, respectively.

### **Beneficial Interest in Perpetual Trust**

The Foundation has been named as an irrevocable beneficiary of a perpetual trust held and administered by independent trustees. Perpetual trusts provide for the distribution of the net income of the trust to the Foundation; however, the Foundation will never receive the assets of the trusts. At the date the Foundation receives notice of a beneficial interest, a contribution with donor restrictions is recorded in the statements of activities, and a beneficial interest in perpetual trust is recorded in the statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interest in the trust is reported at the fair value of the trust assets in the statements of financial position, with trust distributions and changes in fair value recognized in the statements of activities.

**NOTE 1—PRINCIPAL ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)****Investments**

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment gain/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, net of investment management fees and custodial fees.

**Net Assets**

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

*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 organization. These net assets may be used at the discretion of the Foundation’s Management and Board of Directors.

*Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. 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 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.

**Revenue and Revenue Recognition**

Revenue is recognized when earned. Contributions are recognized when cash, securities, or other assets are received; when an unconditional contribution is received; or when notification of a beneficial interest is received. Conditional contributions receivable are not recognized until the conditions on which they depend have been substantially met.

**Donated Services and In-Kind Contributions**

Volunteers contribute significant amounts of time to the Foundation’s program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The Foundation records donated professional services at the respective fair values of the services received. The Foundation records contribution revenue and a respective expense for donated professional services.

**NOTE 1—PRINCIPAL ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Total expenses are presented by function and natural classification in Note 10.

**Income Taxes**

The Foundation is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state level as a charitable organization, whereby only unrelated business income, as defined by Section 509(a)(1) of the code is subject to federal income tax.

The Foundation has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS. The Foundation is required to file an annual return of Organization Exempt from Income Tax (Form 990) with the IRS.

The Foundation believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties were incurred.

**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 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.

**NOTE 1—PRINCIPAL ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Financial Instruments and Credit Risk**

The Foundation manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Foundation has not experienced losses in any of these accounts. Credit risk associated with contributions receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from business organizations and foundations supportive of the Foundation's mission. Diversified investments are made by investment managers whose performance is monitored by management and the Finance Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the Finance Committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

**Subsequent Events**

The Foundation has evaluated subsequent events through January 30, 2026, the date the financial statements were available to be issued.

**NOTE 2—AVAILABILITY AND LIQUIDITY**

The following represents the Foundation’s financial assets at June 30, 2025 and 2024:

Financial assets at year end:	2025	2024
Cash and cash equivalents	\$ 5,050,509	\$ 6,243,476
Contributions receivable	61,993	67,172
Other receivables	54,159	70,817
Investments	12,666,499	9,784,036
Total financial assets	17,833,160	16,165,501
Less amounts not available to be used within one year:		
Net assets with donor restrictions	11,262,606	11,062,249
Quasi endowment established by the board	495,619	455,521
	11,758,225	11,517,770
Financial assets available to meet general expenditures over the next twelve months	\$ 6,074,935	\$ 4,647,731

The Foundation has \$6,074,935 and \$4,647,731 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure at June 30, 2025 and June 30, 2024, respectively. Contributions made without donor restrictions are expendable for general operating as well as to support the goals and objectives of Aims Community College as needed.

Two unrestricted quasi-endowment investments have been established by the Board of Directors for the purpose of providing operational stability to the Foundation. The value of the quasi-endowment investment was \$495,619 and \$455,521 at June 30, 2025 and June 30, 2024, respectively. At June 30, 2025 the value of the quasi-endowment was comprised of \$371,793 to be used for unrestricted operational purposes and \$123,826 to provide scholarships for students within the Aviation academic program. At June 30, 2024 the value of the quasi-endowment was comprised of \$339,648 to be used for unrestricted operational purposes and \$115,873 to provide scholarships for students within the Aviation academic program.

**NOTE 3—FAIR VALUE MEASUREMENTS AND DISCLOSURES**

Certain assets and liabilities are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset, or paid by the Foundation to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions. This value could be directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Foundation can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, the Foundation develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Foundation's assessment of the quality, risk or liquidity profile of the asset or liability.

**NOTE 3—FAIR VALUE MEASUREMENTS AND DISCLOSURES (continued)**

As of June 30, 2025, a significant portion of the Foundation’s investment assets were classified within Level 1 because they are comprised of open-end mutual funds with readily determinable fair values based on daily redemption values. The fair values of beneficial interests in perpetual trusts are determined by management using present value techniques and risk-adjusted discount rates designated to reflect assumptions market participants would use in pricing the underlying assets and are based on the fair values of the trust investments as reported by the trustees. These are considered to be Level 3 measurements.

The following table presents assets measured at fair value on a recurring basis at June 30, 2025:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Assets</u>				
Mutual funds - fixed income	\$ 3,840,051	\$ 3,840,051	\$ -	\$ -
Mutual funds - equities	1,384,077	1,384,077	-	-
Alternatives - mutual funds equities	998,828	998,828	-	-
Common stocks	4,154,919	4,154,919	-	-
Beneficial interest in perpetual trust	2,288,624	-	-	2,288,624
	<u>\$ 12,666,499</u>	<u>\$ 10,377,875</u>	<u>\$ -</u>	<u>\$ 2,288,624</u>
Held as operating investments	\$ 3,532,259			
Held as endowment investments	9,134,240			
	<u>\$ 12,666,499</u>			

**NOTE 3—FAIR VALUE MEASUREMENTS AND DISCLOSURES (continued)**

The following table presents assets measured at fair value on a recurring basis at June 30, 2024:

	<u>Total</u>	<u>Fair Value Measurements at Report Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<u>Assets</u>				
Mutual funds - fixed income	\$ 2,693,492	\$ 2,693,492	\$ -	\$ -
Mutual funds - equities	1,028,744	1,028,744	-	-
Alternatives - mutual funds equities	651,127	651,127	-	-
Common stocks	3,222,886	3,222,886	-	-
Beneficial interest in perpetual trust	<u>2,187,787</u>	<u>-</u>	<u>-</u>	<u>2,187,787</u>
	<u>\$ 9,784,036</u>	<u>\$ 7,596,249</u>	<u>\$ -</u>	<u>\$ 2,187,787</u>
Held as operating investments	\$ 1,211,752			
Held as endowment investments	<u>8,572,284</u>			
	<u>\$ 9,784,036</u>			

**NOTE 4–NET INVESTMENT RETURN**

Net investment return consists of the following for the years ended June 30, 2025 and 2024:

	2025	2024
Operating investments		
Interest and dividends	\$ 186,148	\$ 153,935
Net realized and unrealized gain	265,048	501,610
Less investment management and custodial fees	(25,411)	(24,017)
	425,785	631,528
 Endowment investments		
Interest and dividends	185,579	124,299
Net realized and unrealized gain	389,907	558,865
Less investment management and custodial fees	(47,508)	(37,903)
	527,978	645,261
	\$ 953,763	\$ 1,276,789

**NOTE 5–CONTRIBUTIONS RECEIVABLE**

Unconditional promises to give are estimated to be collected as follows at June 30, 2025 and 2024:

	2025	2024
Within one year	\$ 32,500	\$ 26,667
In one to five years	32,500	43,333
	65,000	70,000
Less discount to net present value at 5-year treasury rate of 4.85%	(3,007)	(2,828)
Contributions receivable (Net)	\$ 61,993	\$ 67,172

**NOTE 6–CONCENTRATION OF REVENUE**

During the year ended June 30, 2024, 2 donors accounted for 75% of total contribution revenue. There was not a significant concentration in contribution revenue for the year ended June 30, 2025.

## NOTE 7—ENDOWMENTS

The Foundation's endowment (the Endowment) consists of approximately 56 individual funds established by donors to provide annual funding for specific activities and general operations. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's Board of Directors has interpreted the Colorado Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2025 and 2024, there were no such donor stipulations. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the Endowment, (b) the original value of subsequent gifts donated to the Endowment (including promises to give net of discount and allowance for doubtful accounts), and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. The remaining portion of the donor-restricted endowment 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 UPMIFA. The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purposes of the organization and the donor-restricted endowment fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the organization.
- The investment policies of the organization.

**NOTE 7—ENDOWMENTS (continued)**

As of June 30, 2025 and 2024, the Foundation had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions		Total
		Restricted by Time or Purpose	Restricted in Perpetuity	
<u>June 30, 2025</u>				
Board-designated quasi-endowment	\$ 495,619	\$ -	\$ -	\$ 495,619
Donor-restricted for endowment	-	<u>3,247,287</u>	<u>5,886,953</u>	<u>9,134,240</u>
Endowed net assets, end of year	<u>\$ 495,619</u>	<u>\$ 3,247,287</u>	<u>\$ 5,886,953</u>	<u>\$ 9,629,859</u>
<u>June 30, 2024</u>				
Board-designated quasi-endowment	\$ 455,521	\$ -	\$ -	\$ 455,521
Donor-restricted for endowment	-	<u>3,095,671</u>	<u>5,476,613</u>	<u>8,572,284</u>
Endowed net assets, end of year	<u>\$ 455,521</u>	<u>\$ 3,095,671</u>	<u>\$ 5,476,613</u>	<u>\$ 9,027,805</u>

*Investment and Spending Policies*

The Foundation has adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The target minimum rate of return is 3% of the asset value of those funds to support the programs and activities of the Foundation. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

The Foundation has a spending policy that expects the total return on the Foundation's endowment funds over time should be sufficient to maintain the real value of those funds through reinvestment of a portion of the total return. Additionally, the total return should be sufficient to annually utilize an amount equal to 3% of the asset value of those funds to support the programs and activities of the Foundation. In establishing this policy, the Foundation considered the long-term expected return on its endowment. This is consistent with the Foundation's objective to maintain the original gift of endowment assets held in perpetuity.

**NOTE 7 – ENDOWMENTS (continued)**

Changes in Endowment net assets for the year ending June 30, 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		Restricted by Time or Purpose	Restricted in Perpetuity	
Endowment net assets, beginning of year	\$ 455,521	\$ 3,095,671	\$ 5,476,613	\$ 9,027,805
Investment return				
Investment income, net of fees	10,959	138,071	-	149,030
Net realized and unrealized gain	29,139	215,059	-	244,198
Change in value of perpetual trust	-	174,848	-	174,848
	<u>40,098</u>	<u>527,978</u>	<u>-</u>	<u>568,076</u>
Contributions	-	36,601	351,532	388,133
Distributions				
Appropriation of endowment assets pursuant to spending-rate policy	-	(354,155)	-	(354,155)
Transfers	-	(58,808)	58,808	-
Endowment net assets, end of year	<u>\$ 495,619</u>	<u>\$ 3,247,287</u>	<u>\$ 5,886,953</u>	<u>\$ 9,629,859</u>

Changes in Endowment net assets for the year ending June 30, 2024 are as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		Restricted by Time or Purpose	Restricted in Perpetuity	
Endowment net assets, beginning of year	\$ 410,548	\$ 2,575,351	\$ 3,357,813	\$ 6,343,712
Investment return				
Investment income, net of fees	8,603	86,396	-	94,999
Net realized and unrealized gain	36,370	300,705	-	337,075
Change in value of perpetual trust	-	258,160	-	258,160
	<u>44,973</u>	<u>645,261</u>	<u>-</u>	<u>690,234</u>
Contributions	-	116,655	2,118,800	2,235,455
Distributions				
Appropriation of endowment assets pursuant to spending-rate policy	-	(241,596)	-	(241,596)
Endowment net assets, end of year	<u>\$ 455,521</u>	<u>\$ 3,095,671</u>	<u>\$ 5,476,613</u>	<u>\$ 9,027,805</u>

**NOTE 8—NET ASSETS**

*Without Donor Restrictions*

Net assets without donor restrictions for the years ended June 30, 2025 and 2024 are as follows:

	2025	2024
Without donor restrictions:		
Undesignated	\$ 4,742,959	\$ 4,041,992
Board-designated endowment	495,619	455,521
	\$ 5,238,578	\$ 4,497,513

*Restricted by Time or Purpose*

Net assets restricted by time or purpose are primarily designated to be used for student scholarships, capital projects, academic, or student services support. At June 30, 2025 and 2024, net assets restricted by time or purpose are as follows:

	2025	2024
Restricted by time or purpose by donors for:		
Time restricted - scholarships	\$ -	\$ 534,744
Purpose restricted:		
Scholarships	1,094,930	1,937,219
Capital construction and equipment	3,417,783	1,975,935
College promise program	857,941	1,105,707
Other student services and academic support	4,999	32,031
	\$ 5,375,653	\$ 5,585,636

**NOTE 8—NET ASSETS (continued)**

*Restricted in Perpetuity*

Net assets restricted in perpetuity consist of endowment funds restricted by donors for investment in perpetuity. Distributions from earnings on endowment funds are available for the purposes specified by the donors, or in certain cases, for the unrestricted use of the Foundation. The net assets restricted in perpetuity balances are as follows at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Restricted in perpetuity for:		
Scholarships	\$ 3,686,603	\$ 3,276,262
College promise program	<u>2,200,350</u>	<u>2,200,350</u>
	<u>\$ 5,886,953</u>	<u>\$ 5,476,612</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30.

	<u>2025</u>	<u>2024</u>
Satisfaction of time or purpose restrictions, including spending-rate distributions:		
Time restricted - scholarships	\$ 537,793	\$ -
Purpose restricted:		
Scholarships	363,815	291,282
Other student services, academic support, and college programs	274,770	660,496
Beneficial interest in perpetual trust	<u>32,261</u>	<u>48,097</u>
	<u>\$ 1,208,639</u>	<u>\$ 999,875</u>

**NOTE 9—DONATED PROFESSIONAL SERVICES AND MATERIALS**

The Foundation received donated professional services and materials as follows during the years ended June 30, 2025 and 2024:

In-kind Contributions	Revenue Recognized at June 30, 2025	Revenue Recognized at June 30, 2024	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Personnel Costs	\$ 375,767	\$ 370,527	Management and General, Fundraising and Development	No associated donor restrictions.	Recognized amounts are valued according to the actual payroll costs paid by Aims Community College available to the Foundation.
Academic Support	132,993	260,887	Academic Programs: The Foundation receives donations of vehicles, tools and other instructional materials for academic departments. The students use these items in classes (ex: Automotive & Aviation).	Restricted for student use by specified academic program.	The donor reports the fair market value at the time of donation; the Foundation records the gifts as they come in.
Student Support	53,665	55,507	Student Services: The Foundation receives food, hygiene items and other supply donations to stock Arty's pantry, which is free to students who need food or supplies.	Restricted for general student support.	The donor reports the fair market value at the time of donation; the Foundation records the gifts as they come in.
Student Support	12,470	10,695	Student Services: Restaurants, vendors, and private donors provide food another supplies for student groups (ex: theater).	Restricted for general student support.	The donor reports the fair market value at the time of donation; the Foundation records the gifts as they come in.
Other College programs	3,530	636	Misc program services: Donors provide in-kind donations, ex: holiday décor, artwork to different departments.	Restricted for school use by specified department.	The donor reports the fair market value at the time of donation; the Foundation records the gifts as they come in.
	<u>\$ 578,425</u>	<u>\$ 698,252</u>			

**NOTE 10—FUNCTIONALIZED EXPENSES**

Expenses are allocated and reported by functional classification, which identifies the purpose of the expense incurred by functional category. Functional expenses for supporting services for the year ended June 30, 2025 are as follows:

Functional Classification	Natural Classification					Total Operating Expenses
	Employee and Personnel Services	Supplies and Services	Other Operating	Travel	Student Aid	
Student scholarship	\$ -	\$ -	\$ -	\$ -	\$ 369,097	\$ 369,097
Support for academic programs	-	185,361	-	-	-	185,361
Support for student services	-	121,961	-	-	-	121,961
Other college programs	-	12,041	-	-	-	12,041
Total program expenses	-	319,363	-	-	369,097	688,460
Management and general	403,868	14,539	73,747	7,783	-	499,937
Fundraising and development	100,431	-	-	-	-	100,431
Total functional expenses	<u>\$ 504,299</u>	<u>\$ 333,902</u>	<u>\$ 73,747</u>	<u>\$ 7,783</u>	<u>\$ 369,097</u>	<u>\$ 1,288,828</u>

Functional expenses for supporting services for the year ended June 30, 2024 are as follows:

Functional Classification	Natural Classification					Total Operating Expenses
	Employee and Personnel Services	Supplies and Services	Other Operating	Travel	Student Aid	
Student scholarship	\$ -	\$ -	\$ -	\$ -	\$ 252,455	\$ 252,455
Support for academic programs	-	438,618	-	-	-	438,618
Support for student services	-	133,851	-	-	-	133,851
Other college programs	-	669	-	-	-	669
Total program expenses	-	573,138	-	-	252,455	825,593
Management and general	325,466	22,655	41,700	8,123	-	397,944
Fundraising and development	94,897	-	-	-	-	94,897
Total functional expenses	<u>\$ 420,363</u>	<u>\$ 595,793</u>	<u>\$ 41,700</u>	<u>\$ 8,123</u>	<u>\$ 252,455</u>	<u>\$ 1,318,434</u>

**NOTE 11—RELATED PARTY TRANSACTIONS**

Substantially all of the program service expenses of the Foundation are for students, employees, and programs of the College.

The Foundation has two employees paid by Foundation funds and the remaining personnel are employees of the College. All College personnel services are donated in-kind to the Foundation. The College also provides office space, accounting services, and telephone services to the Foundation free of charge. In-kind personnel services received were \$375,767 and \$370,526 for the years ended June 30, 2025 and June 30, 2024 respectively.