

**The Technical College System of
Georgia Foundation, Inc.**

Financial Statements and
Independent Auditor's Report
For the Years Ended June 30, 2020 and 2019

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
The Technical College System of Georgia Foundation, Inc.

We have audited the accompanying financial statements of The Technical College System of Georgia Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Technical College System of Georgia Foundation, Inc. as of June 30, 2020 and 2019, 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.


Kilpatrick, Rea and Associates, CPA, PC
Tucker, GA

October 23, 2020

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 1,382,930	\$ 1,090,874
Grants and pledges receivable	-	50,000
Other assets	657	1,499
Total current assets	<u>1,383,587</u>	<u>1,142,373</u>
Investments - Endowment Fund	239,524	-
Total assets	<u>\$ 1,623,111</u>	<u>\$ 1,142,373</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 68,505	\$ 66,367
Assets held for others	92,383	93,028
Total current liabilities	<u>160,888</u>	<u>159,395</u>
Total liabilities	<u>160,888</u>	<u>159,395</u>
NET ASSETS		
Without donor restrictions	164,560	186,742
With donor restrictions	1,297,663	796,236
Total net assets	<u>1,462,223</u>	<u>982,978</u>
Total liabilities and net assets	<u>\$ 1,623,111</u>	<u>\$ 1,142,373</u>

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES						
Contributions	\$ 61,970	\$ 793,223	\$ 855,193	\$ 50,306	\$ 363,832	\$ 414,138
In-kind contributions	277,753	-	277,753	265,770	-	265,770
College award income	-	41,800	41,800	-	38,940	38,940
Interest and dividend income	353	1,028	1,381	460	-	460
Net realized and unrealized (loss) on investments	-	(11,505)	(11,505)	-	-	-
Total support and revenue	340,076	824,546	1,164,622	316,536	402,772	719,308
EXPENSES						
Program expenses	109,630	323,119	432,749	38,922	290,456	329,378
General and administrative	187,983	-	187,983	190,722	-	190,722
Fundraising	64,645	-	64,645	55,310	-	55,310
Total expenses	362,258	323,119	685,377	284,954	290,456	575,410
CHANGE IN NET ASSETS						
NET ASSETS						
Beginning of year	186,742	501,427	479,245	31,582	112,316	143,898
End of year	\$ 164,560	\$ 796,236	\$ 982,978	\$ 155,160	\$ 683,920	\$ 839,080
		\$ 1,297,663	\$ 1,462,223	\$ 186,742	\$ 796,236	\$ 982,978

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 479,245	\$ 143,898
Adjustments to reconcile change in net assets to cash provided by operating activities:		
(Increase) decrease in grants and pledges receivable	50,000	(50,000)
(Increase) decrease in prepaid assets	842	(73)
Increase (decrease) in accounts payable	2,138	30,734
Increase (decrease) in assets held for others	(645)	(14,733)
Net realized and unrealized loss on investments	10,476	-
Net cash provided by operating activities	<u>542,056</u>	<u>109,826</u>
Cash Flows from investing activities		
Purchases of pooled investment funds	(250,000)	-
Net cash provided (used) in investing activities	<u>(250,000)</u>	<u>-</u>
Cash flows from financing activities	-	-
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	292,056	109,826
Cash - beginning of year	1,090,874	981,048
Cash - end of year	<u>\$ 1,382,930</u>	<u>\$ 1,090,874</u>

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	Year Ending June 30, 2020				
	Program Expenses			Support Services	
	Technical Education Programs	Adult Education Programs	Scholarships & Awards	Management & General	Total
Salaries and benefits					
Scholarships	\$ 38,942	\$ -	\$ -	\$ 38,942	\$ 38,942
Educational expenses	-	-	2,000	2,000	2,000
Competition awards	92,272	1,320	245	93,837	93,837
Technology Assistance	-	1,000	37,603	38,603	38,603
GED test vouchers	174,635	-	-	174,635	174,635
Professional fees	-	-	16,000	16,000	16,000
Rent	10,500	-	-	10,500	10,500
College membership fees	4,680	-	-	4,680	4,680
Advertising	24,000	-	-	24,000	24,000
Travel	-	-	-	-	-
Events	198	-	-	198	198
Sponsorships	16,625	-	-	16,625	16,625
Supplies	150	-	-	150	150
Other	313	1,390	2,992	4,695	4,695
Total	\$ 239,687	\$ 130,511	\$ 58,841	\$ 432,749	\$ 861,788

	Year Ending June 30, 2019				
	Program Expenses			Support Services	
	Technical Education Programs	Adult Education Programs	Scholarships & Awards	Management & General	Total
Salaries and benefits					
Scholarships	\$ 50,651	\$ -	\$ -	\$ 50,651	\$ 50,651
Educational expenses	-	-	7,731	7,731	7,731
Competition awards	68,420	308	15,169	83,897	83,897
Technology Assistance	1,000	1,014	71,377	73,391	73,391
GED test vouchers	-	-	-	-	-
Professional fees	-	-	16,000	16,000	16,000
Rent	2,000	-	-	2,000	2,000
College membership fees	34,000	-	-	34,000	34,000
Advertising	45,000	-	-	45,000	45,000
Travel	-	386	-	386	386
Events	-	-	-	-	-
Sponsorships	1,500	-	-	1,500	1,500
Supplies	2,748	-	-	2,748	2,748
Other	4,801	78	16	4,995	4,995
Total	\$ 106,651	\$ 109,999	\$ 110,293	\$ 326,943	\$ 652,893

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: Technical College System of Georgia Foundation, Inc. (the “Foundation”) is a not-for-profit organization which supports the Technical College System of Georgia (TCSG) through marketing, advocacy and fundraising, to benefit students, programs and faculty. Revenues are derived primarily from conference registration fees, and from corporate, faculty and individual donations. TCSG provides recognized support through the provision of personnel services and office space.

Basis of Accounting: The Foundation’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned and expenses are recognized when the obligation is incurred. Qualified in-kind donations are also recorded as revenue and expenses upon receipt.

Basis of Presentation: The Foundation presents its financial statements in the format prescribed by the Financial Accounting Standards Board in its pronouncements about accounting for not-for-profit organizations. In the year ending June 30, 2019, the Foundation adopted the requirements of Accounting Standards Update 2016-14 Presentation of Financial Statements of Not-For-Profit Entities. There are two classes of net assets: net assets with restrictions and net assets without restrictions.

Cash: The Foundation maintains in a financial institution cash in an amount that exceeds the insured limits provided by the FDIC. However, given the strength of the financial institution, management believes such excess deposits do not create a significant loss exposure. The uninsured amount as of June 30, 2020 and 2019, was \$1,133,000 and \$841,000.

The Foundation maintains its cash in highly liquid accounts in order to meet cash needs for general expenditures within one year from the date of the financial statements. With the exception of the Georgia Power Foundation Scholars Endowment of \$239,524, none of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The Foundation has a goal to maintain financial assets on hand to meet normal operating expenditures and program expenditures. The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, the Foundation invests excess cash in savings accounts with FDIC insured financial institutions.

Receivables: Grants and pledges receivables are recorded at their estimated net realized value. Uncollectible amounts, if any, are charged against bad debt expense when it is determined that an individual amount will not be collectible. As of June 30, 2020 and 2019, all receivables were considered collectible, and therefore no allowance for doubtful accounts has been recorded.

Investments: Investments consist of balances that are held and managed by an independent financial institution within their long-term pooled investment fund established for technical college foundations within the state of Georgia. Earnings from the pooled investments, net of investment fees, are allocated to the Foundation based on their average balance. Investment income and gains and losses on investments are recorded as increases and decreases in restricted net assets.

Investments held in the pooled fund consists of money market funds, equity securities, mutual funds and cash.

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

Net Assets: The accounts of the Foundation are maintained so as to ensure observance of limitations and restrictions placed by contributors on the use of financial resources. The Foundation's assets and liabilities are grouped into the following two classes of net assets:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for support of all operations and are subject to control by the Board of Trustees. The Board maintains budgetary control over these net assets without donor restrictions and, from time to time, may designate certain of them for special needs and purposes by keeping them under separate accounting control to insure expenditure for designated purposes.

The total net assets without donor restrictions balances at June 30, 2020 and 2019 were \$164,560 and \$186,742, respectively. Activity with respect to all net assets without donor restrictions for the fiscal year is reported in the Statement of Activities and Changes in Net Assets and in the Statement of Functional Expenses.

Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted as to use by an outside donor or contributor. These assets are released from donor restrictions either by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by the donors. The total net assets with donor restrictions balances at June 30, 2020 and 2019 were \$1,297,663 and \$796,236, respectively. Activity with respect to net assets with donor restrictions for the fiscal year is reported in the Statement of Activities and Changes in Net Assets and in the Statement of Functional Expenses.

Taxes: The Foundation is exempt from taxes under Internal Revenue Code Section 501(c)(3) and is classified as a publicly supported charity. As such, only unrelated business income as defined by Section 512(a)(1) of the code is subject to federal income tax. Management has evaluated all revenues and determined business revenues are related to its exempt purpose. The Foundation is subject to tax examination by the U.S. Federal and state authorities for three years after returns are filed. Currently the 2017, 2018 and 2019 tax years are open for examination by tax authorities.

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

Reclassifications: Prior year financial statement amounts may be reclassified to conform to the current year presentation. Such reclassifications are not material to the financial statements.

Subsequent Events: Subsequent events have been evaluated by management through the date of the audit report, which is the date these financial statements were available to be issued.

2. GRANTS

In fiscal year 2020 the Foundation received grants from three independent organizations totaling \$651,000 or 56% of total revenue. In fiscal year 2019 the Foundation received grants from three independent organizations totaling \$295,000, or 41% of total revenue.

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

3. IN-KIND CONTRIBUTIONS

For the years ended June 30, 2020 and 2019, the Foundation received in-kind contributions from TSCG for personnel services and office space totaling \$277,753 and \$265,770, or 24% and 37% of total revenue, respectively. TSCG also provides office supplies, telecommunication services and other miscellaneous services, which management has determined is not cost efficient to value and not material to the Foundation's operations.

4. ASSETS HELD FOR OTHERS

The Foundation acts as an agent for programs and organizations associated with the Technical College System of Georgia and its colleges. The amount of cash held for others totaled \$92,383 and \$93,028 and as of June 30, 2020 and 2019, respectively.

5. NET ASSETS WITH DONOR RESTRICTIONS

Activity in net assets with donor restrictions was as follows for the year ending June 30, 2020:

	Beginning Balance	Receipts	Released From Restriction	Ending Balance
Marketing Campaign	\$ 81,394	\$ -	\$ 70,000	\$ 11,394
Achieving the Dream	49,152	-	24,000	25,152
Various Scholarships	186,263	20,581	18,239	188,605
Career Academies	84,435	2,375	13,000	73,810
Accelerating Opportunity College Support	59,484	-	-	59,484
Last Mile Fund	302,891	169,345	75,286	396,950
GOAL	13,906	25,061	300	38,667
TCSG PR Fund	9,807	7,779	4,630	12,956
College Award Fund	-	41,801	37,340	4,461
Emerging Scholars Finish Line	-	7,000	7,000	-
Adult Education-General	3,252	1,073	2,391	1,934
Veterans & Military	3,341	767	187	3,921
AO College Access Grant	2,312	-	-	2,312
Trade Five Assistance Fund	-	214,715	-	214,715
Student Data Summit	-	16,768	16,768	-
TCSG Emergency Response	-	77,757	54,658	23,099
Career Plus HSE	-	-	(680)	680
GA Power Foundation Scholars Endowment	-	239,524	-	239,524
Total	<u>\$ 796,236</u>	<u>\$ 824,546</u>	<u>\$ 323,119</u>	<u>\$ 1,297,663</u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

Activity in net assets with donor restrictions was as follows for the year ending June 30, 2019:

	Beginning Balance	Receipts	Released From Restriction	Ending Balance
Marketing Campaign	\$ 146,252	\$ -	\$ 64,858	\$ 81,394
Achieving the Dream	83,152	-	34,000	49,152
Various Scholarships	174,210	48,609	36,556	186,263
Career Academies	86,560	2,375	4,500	84,435
Accelerating Opportunity College Support	59,484	-	-	59,484
Last Mile Fund	92,560	263,379	53,048	302,891
GOAL	13,809	28,232	28,135	13,906
TCSG PR Fund	10,174	4,107	4,474	9,807
College Award Fund	7,273	38,940	46,213	-
Emerging Scholars Finish Line	-	15,340	15,340	-
Adult Education-General	4,308	1,384	2,440	3,252
Veterans & Military	2,936	407	2	3,341
AO College Access Grant	2,312	-	-	2,312
GED General Community Outreach	890	-	890	-
Total	<u>\$ 683,920</u>	<u>\$ 402,772</u>	<u>\$ 290,456</u>	<u>\$ 796,236</u>

6. PROGRAM EXPENSES

The Foundation provides scholarships, local community literacy initiatives, conferences, training and support for postsecondary students, as well as other services to fulfill its mission.

The expenses attributed to each of the Foundation's significant program services for the years ended June 30, 2020 and 2019 were as follows:

	2020	2019
Marketing Campaign	\$ 70,000	\$ 64,858
Achieving the Dream	24,000	34,000
College Award Fund	36,602	46,951
Career Academies	13,000	4,500
Salary & Office Rent	43,621	37,289
GOAL	1,038	27,397
TCSG Emergency Fund	104,659	-
Various Scholarships	29,566	38,915
Last Mile Fund	75,286	53,095
Emerging Scholars	7,000	15,400
Other Programs	27,977	6,973
Total	<u>\$ 432,749</u>	<u>\$ 329,378</u>

THE TECHNICAL COLLEGE SYSTEM OF GEORGIA FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

7. FUNCTIONAL EXPENSE ALLOCATION

The costs of providing the Foundation's various programs, management and general services, and fundraising activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses are primarily allocated based on estimates of time and effort and space occupancy.

8. INVESTMENTS-ENDOWMENT FUND

Investments, reported at fair value in the accompanying statements, are as follows as of June 30, 2020:

	2020	
	Fair Value	Unrealized Gain (Loss)
Pooled investment fund	\$ 239,524	\$ (11,505)
Net investments	<u>\$ 239,524</u>	<u>\$ (11,505)</u>

All investments in the pooled investment fund are considered to be Level 2 investments.

Financial Accounting Standard Board Accounting Standards Codification 820 *Fair Value Measurement* ("ASB 820") establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. In accordance with ASB 820, fair value is defined as the price that the Foundation would receive upon selling a property in a timely transaction to an independent buyer in the principal or most advantageous market of the property. ASB 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable or unobservable. Observable inputs are based on market data obtained from sources independent of the Foundation. Unobservable inputs are inputs that reflect the Foundation's own assumptions based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad Levels listed below.

- Level 1 – quoted prices in active markets for identical investments.
- Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Foundation's own assumptions in determining the fair value of the investments)

The inputs or methodology used for valuing the properties are not necessarily an indication of the risk associated with investing in those properties.

Investments are required to be recorded at fair value on a recurring basis. When available, the Foundation uses quoted market prices to determine the fair value of investment securities, and they are included in

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Level 1. Investments in pooled funds are considered Level 2 within the fair value hierarchy based on the Foundation's ability to redeem the investments in the near term.

9. ENDOWMENTS

The Foundation's endowments consist of one individual donor restricted fund established for the purpose of providing scholarships to students classified as foster or homeless who wish to attend a technical college within the TCSG. Net assets associated with donor restricted funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law: The Board of Trustees has determined that the Georgia Uniform Prudent Management of Institutional Funds Act ("UPMIFA") applies to the Foundation's endowment fund. UPMIFA provides guidance and authority to charitable organizations concerning the management and investments of funds held by those organizations. The Foundation classifies as net assets with donor restrictions the original value of the gifts donated to the donor restricted endowment, the original value of subsequent gifts to the donor restricted endowment, and any reinvestments. Investment income from the donor restricted endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation's Trustees in a manner consistent with donor stipulated purposes. In connection with administration and management of the endowment funds, and in order to support development efforts to enhance the Foundation's philanthropy, the Foundation may authorize allocations against the endowment. Funds distributed from the endowment in a year may be retained and expended for the purposes of the endowment in subsequent years, or may be reinvested, at the discretion of the Foundation, as a permanent addition to the principal of the endowment.

Endowment's Investment Policy: The Foundation's investment objectives for the endowment are to provide long term growth of capital and protection from the long-term effects of inflation sufficient to meet the endowment's distribution requirements. Emphasis is placed on preservation of capital over the long term utilizing the total return approach considering both capital appreciation and income. The performance objective is to achieve a total return, net of fees, exceeding a blended benchmark comprised of the following indices: 50% Russell 3000 Index, 15% MSCI ACWI ex US Index, and 35% Barclays U.S. Aggregate Bond Index.

Endowment Spending Policy: The Foundation's spending policy provides that the Foundation has the ability to determine a payout, as deemed prudent, while considering the following factors: 1) the duration and preservation of the endowment fund; 2) the purpose of the fund; 3) general economic conditions and forward expected market returns; 4) the potential impact of inflation or deflation; and 5) other resources of the Foundation.

The Foundation's spending policy provides for annual distributions up to 4% of the total market value of fully eligible endowments calculated on a trailing twelve calendar quarter rolling average as of December 31, not to include additions during the most recent fiscal year. In the event the average annualized total return for the trailing twelve quarters period fails to equal or exceed 4.0%, the Foundation may elect instead to distribute a lesser amount, or suspend distributions altogether, to protect corpus until such time as the trailing twelve quarter return again equals or exceeds 4%. Fully eligible endowments are defined as endowments that have achieved a market value of at least 108% of their corpus.

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For partially eligible endowments, the Foundation may elect to distribute a reduced amount as determined by the Finance and Investment Committee, in consultation with the Board of Trustees taking into consideration donor expectations, until such time as the such partially eligible endowments become fully eligible. Partially eligible endowments are defined as those endowments that have a market value of less than 108% of their corpus.

Market value is based upon all assets in the fund including principal and retained income, adjusted for all gains and losses, whether realized or unrealized, and determined as of the last business day of the quarter.

Administrative Fees: The Foundation charges an annual fee of no more than 1% on the fair market value of the total value (principal and earnings) of the endowment on a schedule agreed upon by the Trustees.

Underwater Endowment Funds: The Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of the original value of initial and subsequent gift amounts donated to the fund and any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. In accordance with UPMIFA adopted in Georgia, the Foundation has interpreted UPMIFA to permit spending from underwater funds.

At June 30, 2020, funds with deficiencies of \$10,476 were reported in net assets with donor restrictions. At June 30, 2019, there were no endowment funds.

	2020	2019
Fair value of endowments	\$ 239,524	\$ -
Original endowment gift amount	250,000	-
Deficiencies of underwater endowment funds	<u>\$ (10,476)</u>	<u>\$ -</u>

Endowment Net Asset Composition: The following table represents the composition of the Foundation's endowment net assets by type of fund as of June 30, 2020:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ -	\$ -	\$ -
Donor restricted endowment funds:			
Original donor restricted gift amount and amounts required to be maintained in perpetuity by donor	-	250,000	250,000
Underwater accounts	-	(10,476)	(10,476)
Total endowment funds	<u>\$ -</u>	<u>\$ 239,524</u>	<u>\$ 239,524</u>

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At June 30, 2019 there were no endowment funds.

Changes in endowment net assets: The following table represents the changes in the Foundation's endowment funds during the year ended June 30, 2020:

	2020		
	Without	With	
	Donor	Donor	
	Restrictions	Restrictions	Total
Endowments net assets, beginning of year	\$ -	\$ -	\$ -
Contributions	-	250,000	250,000
Investment return, net	-	(10,476)	(10,476)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 239,524</u>	<u>\$ 239,524</u>

10. COVID-19

In March 2020, the COVID-19 pandemic was declared a national emergency. The outbreak in the United States caused business disruption through mandated and voluntary closings of most organizations. Restrictions have limited the Foundation's opportunities for in-person meetings with donors. The related financial impact and duration cannot be reasonably estimated at this time.