

Tarrant County College Foundation

Financial Report

August 31, 2021

CONTENTS

Page

Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position	2
Statements of Activities	3
Statements of Cash Flows	5
Notes to Financial Statements	6



Independent Auditor's Report

To the Board of Directors of the
Tarrant County College Foundation

We have audited the accompanying financial statements of Tarrant County College Foundation (the Foundation), which comprise the statements of financial position as of August 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation'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 Foundation'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 Tarrant County College Foundation as of August 31, 2021 and 2020, 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 11, 2021

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 | Dallas, Texas 75201
Main: 972.490.1970

CPAs AND ADVISORS | WEAVER.COM

Tarrant County College Foundation

Statements of Financial Position

August 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 401,040	\$ 836,788
Pledges receivable	85,747	216,910
Investments	18,970,362	15,802,007
Investments held in trust for affiliate	<u>16,249,753</u>	<u>13,537,190</u>
Total assets	<u>\$ 35,706,902</u>	<u>\$ 30,392,895</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 256,651	\$ 105,784
Due to affiliate	766,168	715,229
Funds held in trust for affiliate	<u>16,249,753</u>	<u>13,537,190</u>
Total liabilities	17,272,572	14,358,203
NET ASSETS		
Without donor restrictions	2,722,914	2,100,824
With donor restrictions	<u>15,711,416</u>	<u>13,933,868</u>
Total net assets	<u>18,434,330</u>	<u>16,034,692</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 35,706,902</u>	<u>\$ 30,392,895</u>

The Notes to Financial Statements are an integral part of these statements.

Tarrant County College Foundation

Statements of Activities Years Ended August 31, 2021

	2021		
	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Revenues			
Gifts	\$ 17,339	\$ 1,652,203	\$ 1,669,542
Gifts - in kind	843,819	-	843,819
Realized and unrealized gains on investments	435,990	1,471,300	1,907,290
Dividend and interest income	266,055	957,701	1,223,756
Net assets released from restrictions for satisfaction of programs	2,303,656	(2,303,656)	-
Total revenues	3,866,859	1,777,548	5,644,407
Expenses			
Program Expenses			
Scholarships and college support program			
Scholarships	1,758,802	-	1,758,802
College program expenses	535,067	-	535,067
Supporting Services			
General and administrative			
Salaries and wages	64,591	-	64,591
Professional fees	15,835	-	15,835
Meeting expenses	2,568	-	2,568
Insurance	4,753	-	4,753
Other	19,334	-	19,334
In-kind support	843,819	-	843,819
Total expenses	3,244,769	-	3,244,769
Change in net assets	622,090	1,777,548	2,399,638
NET ASSETS, beginning of year	2,100,824	13,933,868	16,034,692
NET ASSETS, end of year	\$ 2,722,914	\$ 15,711,416	\$ 18,434,330

The Notes to Financial Statements are an integral part of these statements.

Tarrant County College Foundation

Statements of Activities – Continued Years Ended August 31, 2020

	2020		
	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Revenues			
Gifts	\$ 159,590	\$ 3,046,427	\$ 3,206,017
Gifts - in kind	862,912	-	862,912
Realized and unrealized gains on investments	68,469	60,397	128,866
Dividend and interest income	160,581	501,999	662,580
Net assets released from restrictions for satisfaction of programs	2,192,032	(2,192,032)	-
Total revenues	3,443,584	1,416,791	4,860,375
Expenses			
Program Expenses			
Scholarships and college support program			
Scholarships	1,677,972	-	1,677,972
College program expenses	400,299	-	400,299
Grant expenses	10,000	-	10,000
Supporting Services			
General and administrative			
Salaries and wages	65,726	-	65,726
Professional fees	118,791	-	118,791
Meeting expenses	6,055	-	6,055
Insurance	4,551	-	4,551
Other	30,866	-	30,866
In-kind support	862,912	-	862,912
Total expenses	3,177,172	-	3,177,172
Change in net assets	266,412	1,416,791	1,683,203
NET ASSETS, beginning of year	1,834,412	12,517,077	14,351,489
NET ASSETS, end of year	\$ 2,100,824	\$ 13,933,868	\$ 16,034,692

The Notes to Financial Statements are an integral part of these statements.

Tarrant County College Foundation

Statements of Cash Flows

Years Ended August 31, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,399,638	\$ 1,683,203
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Restricted gifts and grants received	98,589	(118,443)
Net unrealized gains on investments	(2,553,168)	(128,866)
Reinvested dividends and gains	(1,236,375)	(669,916)
Changes in operating assets and liabilities		
Pledges receivable	131,163	(67,498)
Accounts payable and accrued liabilities	150,867	5,203
Accounts payable due to affiliate		
Deferred revenues	50,939	(157,803)
Net cash provided by (used in) operating activities	(958,347)	545,880
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	7,252,687	4,620,107
Purchases of investments	(6,631,499)	(5,695,031)
Net cash provided by (used in) investing activities	621,188	(1,074,924)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for investment in endowment	(98,589)	118,443
Net cash provided by financing activities	(98,589)	118,443
Net change in cash and cash equivalents	(435,748)	(410,601)
CASH AND CASH EQUIVALENTS, beginning of year	836,788	1,247,389
CASH AND CASH EQUIVALENTS, end of year	\$ 401,040	\$ 836,788

The Notes to Financial Statements are an integral part of these statements.

Tarrant County College Foundation

Notes to Financial Statements

Note 1. Nature of Operations

Tarrant County College Foundation (the Foundation) is an affiliate of Tarrant County College District (the College). The mission of the Foundation is to raise, manage, and provide philanthropic support for the students and critical needs of the College, as identified through the college district's strategic planning process. The Foundation is supported through grants, contributions and fundraising activities primarily from sources within the geographic area in which it is located.

Note 2. Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements are as follows:

Basis of Presentation

The Foundation's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the FASB Accounting Standards Codification (ASC) Topic 958, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets, revenues, expenses, 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 use or time restrictions.

Net assets with donor restrictions – Net assets subject to donor-imposed restrictions that will either be met by actions of the Foundation, by the passage of time, or are to be maintained perpetually.

Cash Equivalents

The Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents unless held subject to restrictions that require them to be used for endowment.

Investments

Investments are recorded at their fair market value. Unrealized appreciation or depreciation in values is recorded in the statements of activities. Purchased assets are initially recorded at cost. Donated investments are recorded at fair value at the date of gift. Investments are made according to the investment policy adopted by the Foundation's Board of Directors. These guidelines provide for a balanced diversified portfolio with investments in equities, fixed income and other securities with performance measured against appropriate indices. Outside parties are contracted by the Foundation for the purpose of providing investment management.

Funds Held in Trust

Accounting principles generally accepted in the United States of America (GAAP) requires that if an organization establishes a fund at a Foundation with its own funds and specifies itself or its affiliate as the beneficiary of that fund, the Foundation must account for the transfer of such assets as a liability. The liability is reflected under funds held in trust for affiliate on the accompanying statements of financial position.

Tarrant County College Foundation

Notes to Financial Statements

Functional Allocation of Expenses

The costs of providing the programs and supporting service of the Foundation have been summarized on a natural basis in the statement of activities. Functional expenses have been categorized as program and supporting services based on the nature of the activity performed, and, as such, no costs have been allocated across the functional expense categories.

Income Taxes

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. GAAP requires that the Foundation recognize in its financial statements the financial effects of a tax position, if that position is more likely than not of being sustained upon examination, including resolution of any appeals or litigation processes, based upon the technical merits of the position. GAAP also provides guidance on measurement, classification, interest and penalties and disclosure. Tax positions taken related to the Foundation's not-for-profit status have been reviewed and management is of the opinion that material positions taken by the Foundation would more likely than not be sustained by examination. Accordingly, the Foundation has not recorded an income tax liability for uncertain tax benefits. As of August 31, 2021, the Foundation's tax years 2018 and thereafter remain subject to examination.

Concentrations of Credit Risk

The Foundation maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on cash and cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), a comprehensive new standard that amends various aspects of existing accounting guidance for leases, including the recognition of a right of use asset and a lease liability for leases with duration greater than one year. The guidance is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. This standard can be implemented using a modified retrospective approach, under which provisions are applied to all applicable leases as of the beginning of the earliest period presented, or at the date of adoption with the recognition of a cumulative effect adjustment to the opening balance of net assets in the period of adoption. Early adoption is permitted. The Organization is currently evaluating the effect that the new standard will have on its financial statements; however, the Organization anticipates that adoption of the new of the standard will have a minimal impact on the financial statements.

Subsequent Events

Subsequent events were evaluated through November 11, 2021, which is the date the financial statements were available to be issued.

Tarrant County College Foundation

Notes to Financial Statements

Note 3. Pledges Receivable

Pledges receivables in years ended August 31, 2021 and 2020, totaled \$85,747 and \$216,910 respectively.

Unconditional promises expected to be collected in:

	<u>2021</u>	<u>2020</u>
Less than one year	\$ 85,747	\$ 206,910
One to five years	<u>-</u>	<u>10,000</u>
	<u>\$ 85,747</u>	<u>\$ 216,910</u>

Management considers all contributions to be fully collectible. The present value of cash flows from recorded promises to give does not vary significantly from the stated value. Accordingly, no discount has been recorded.

Note 4. Investments

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements, establishes a framework for measuring fair value. Fair value measurements reflected in the financial statements conceptually represent the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC 820 provides a hierarchy that prioritizes the inputs to fair value measurements based on the extent to which inputs to valuation techniques are observable in the marketplace. The hierarchy assigns a higher priority to observable inputs that reflect verifiable information obtained from independent sources, and a lower priority to unobservable inputs that would reflect the Foundation's assumptions about how market participants would value an asset or liability based on the best information available.

Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 Inputs to the valuation methodology include unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. Active markets are considered to be those in which transactions for the assets or liabilities occur in sufficient frequency and volume to provide pricing information on an ongoing basis. This category includes investments in common stock which have direct observable markets and are valued at unadjusted quoted prices in active markets on the date of the measurement.

Tarrant County College Foundation

Notes to Financial Statements

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices of identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Unobservable inputs for the asset or liability, used in situations in which little or no market activity exists for the asset or liability at the measurement date.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

Money Market Funds and Mutual Funds – reported as level 1 are determined by reference to quoted market prices in principal active markets for identical assets as of the valuation date.

Mutual Fund Investments in Equity Funds, Real Estate Funds, and Fixed Income Funds – reported as level 2 are valued utilizing the net asset valuations provided by the fund managers and their administrators.

Information related to the investments measured at fair value on a recurring basis at August 31, 2021 is as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	Total Fair Value
Investments				
Money markets	\$ 193,656	\$ -	\$ -	\$ 193,656
Mutual funds				
Equity funds	8,340,496	6,305,763	-	14,646,259
Real estate and commodity funds	-	471,413	-	471,413
Fixed income funds	99,863	3,560,410	-	3,660,273
Total investments	<u>\$ 8,634,015</u>	<u>\$ 10,337,586</u>	<u>\$ -</u>	<u>\$ 18,971,601</u>
Investments held in trust for affiliate				
Money markets	\$ 335,161	\$ -	\$ -	\$ 335,161
Mutual funds				
Equity funds	5,046,992	2,407,530	-	7,454,522
Real estate and commodity funds	-	158,067	-	158,067
Fixed income funds	-	8,302,003	-	8,302,003
Total investments held in trust for affiliate	<u>\$ 5,382,153</u>	<u>\$ 10,867,600</u>	<u>\$ -</u>	<u>\$ 16,249,753</u>

Tarrant County College Foundation

Notes to Financial Statements

Information related to the investments measured at fair value at August 31, 2020 is as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	Total Fair Value
Investments				
Money markets	\$ 307,863	\$ -	\$ -	\$ 307,863
Mutual funds				
Equity funds	5,645,987	3,709,609	-	9,355,596
Real estate and commodity funds	-	580,326	-	580,326
Fixed income funds	786,564	4,771,658	-	5,558,222
Total investments	<u>\$ 6,740,414</u>	<u>\$ 9,061,593</u>	<u>\$ -</u>	<u>\$ 15,802,007</u>
Investments held in trust for affiliate				
Money markets	\$ 327,987	\$ -	\$ -	\$ 327,987
Mutual funds				
Equity funds	4,744,949	2,469,886	-	7,214,835
Real estate and commodity funds	-	1,190,482	-	1,190,482
Fixed income funds	-	4,803,886	-	4,803,886
Total investments held in trust for affiliate	<u>\$ 5,072,936</u>	<u>\$ 8,464,254</u>	<u>\$ -</u>	<u>\$ 13,537,190</u>

Investment return for the years ended August 31 was composed of:

	2021	2020
Realized gains on mutual funds	\$ 956,364	\$ 353,108
Unrealized gains and losses	2,553,168	128,866
Interest and dividends	345,807	373,968
Investment expenses	(65,796)	(57,160)
	<u>\$ 3,789,543</u>	<u>\$ 798,782</u>

Note 5. Net Assets

Net assets without donor restrictions consist of the following as of August 31, 2021 and 2020:

	2021	2020
Undesignated	\$ 1,357,749	\$ 177,174
Board designated	1,365,165	1,923,650
	<u>\$ 2,722,914</u>	<u>\$ 2,100,824</u>

Tarrant County College Foundation

Notes to Financial Statements

Net assets with donor restrictions as of August 31, 2021 and 2020:

	2021	2020
Purpose restriction	\$ 11,530,384	\$ 9,851,425
In perpetuity	4,181,032	4,082,443
	\$ 15,711,416	\$ 13,933,868

Net assets with donor restrictions are available to provide scholarships and fund Foundation programs. In years ended August 31, 2021 and 2020, \$2,303,656 and \$2,088,271 respectively, were released from restriction for Scholarships.

Note 6. Endowments

The Foundation's endowments consist of 43 individual donor-restricted funds established for future scholarships and programs. 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 implemented a Uniform Prudent Management of Institutional Funds Act (UPMIFA) policy regarding the management of institutional funds (including endowment funds). The Board of Directors of the Foundation has interpreted the Texas' enacted version of UPMIFA as the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment. Unless stated otherwise in the gift instrument, and the remaining portion of the donor-restricted endowment fund until those amounts are appropriated for expenditure 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 Foundation 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 Foundation
- The investment policies of the Foundation

Tarrant County College Foundation

Notes to Financial Statements

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

The asset allocation ranges for the year ended August 31, 2021 are as follows:

	Range		
	Policy Target	Low	High
Equities	63%	53%	78%
Fixed income	28%	13%	38%
Real assets	8%	0%	13%
Money market	1%	0%	10%

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the Foundation is required to retain as a fund of perpetual duration. There are no deficiencies as of August 31, 2021 and 2020 in funds.

Endowment net assets are comprised of the following at August 31, 2021:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total Endowment Net Assets
Donor restricted endowment funds	\$ -	\$ 6,248,775	\$ 6,248,775

Endowment net assets are comprised of the following at August 31, 2020:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total Endowment Net Assets
Donor restricted endowment funds	\$ -	\$ 5,313,186	\$ 5,313,186

Tarrant County College Foundation

Notes to Financial Statements

Changes in endowment net assets for the year ended August 31, 2021 and 2020:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total Endowment Net Assets
Endowment net assets, August 31, 2019	\$ -	\$ 5,108,712	\$ 5,108,712
Investment return			
Investment income	-	173,272	173,272
Net appreciation (realized and unrealized)	-	60,397	60,397
Total investment return	-	233,669	233,669
Contributions	-	118,443	118,443
Amounts used for scholarships	-	(147,638)	(147,638)
Endowment net assets, August 31, 2020	\$ -	\$ 5,313,186	\$ 5,313,186
Investment return			
Investment income	-	421,148	421,148
Net appreciation (realized and unrealized)	-	613,137	613,137
Total investment return	-	1,034,285	1,034,285
Contributions	-	98,589	98,589
Amounts used for scholarships	-	(197,285)	(197,285)
Endowment net assets, August 31, 2021	\$ -	\$ 6,248,775	\$ 6,248,775

Tarrant County College Foundation

Notes to Financial Statements

Note 7. Liquidity

As a not-for-profit entity, the Foundation receives significant funding in the form of contributions from donors and investment earnings, which may be restricted for a certain amount of time or to be used in a particular manner. The Foundation must maintain sufficient resources to meet those responsibilities to its contributors. Thus, financial assets may not be available for general expenditure within one year. As part of managing its financial assets, the Foundation ensures sufficient resources are available when obligations come due.

The following reflects the Foundation's financial assets as of the statement of financial position date, including amounts not available within one year of the statement of financial position date. Amounts not available include donor-imposed restricted contributions.

Financial assets	
Cash and cash equivalents	\$ 401,040
Pledges receivable	85,747
Investments	<u>35,220,115</u>
 Total financial assets, year end	 35,706,902
 Less	
Investments held on behalf of related party	(16,249,753)
Net assets with donor restrictions	<u>(15,711,416)</u>
 Total financial assets not available to be used within one year	 <u>(31,961,169)</u>
 Total financial assets available to meet general expenditures within one year	 <u>\$ 3,745,733</u>

Note 8. Related Party Transactions

The College employs individuals whose duties and responsibilities relate solely to the furtherance of the objectives of the Foundation. Additionally, the Foundation utilizes office space that is provided as an in-kind donation by the College.

The fair value of donated services and rent provided in this manner to the Foundation was included in the statements of activities at the estimated values of \$722,199 and \$58,527 respectively, for the year ended August 31, 2021, and \$729,266 and \$86,170, respectively, for the year ended August 31, 2020. Also included in the statements of activities for the years ended August 31, 2021 and 2020 is \$63,093 and \$47,475, respectively, related to supplies and other administrative expenses paid by the College on behalf of the Foundation.

Tarrant County College Foundation

Notes to Financial Statements

Note 9. Funds Held in Trust for Affiliate

During 2012, the Foundation entered into an agreement with the College to manage certain designated funds of the College, including funds derived from oil and gas leases. Under this agreement, the Foundation will invest, manage and monitor the funds in accordance with the Public Funds Investment Act and other applicable laws, and the written investment policy approved by the College. Under this agreement, the College shall determine the use of the earnings from the funds and authorize, in writing, all expenditures from the funds. Changes in the funds held in trust for affiliate for the years ended August 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 13,537,190	\$ 12,570,310
Additional deposits	5,854,481	2,543,120
Withdrawal	(4,599,255)	(1,882,116)
Net appreciation in fair value	<u>1,457,337</u>	<u>305,876</u>
Balance, end of year	<u>\$ 16,249,753</u>	<u>\$ 13,537,190</u>