

**WEST HILLS COMMUNITY
COLLEGE FOUNDATION**

FINANCIAL REPORT

JUNE 30, 2018

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WEST HILLS COMMUNITY COLLEGE FOUNDATION

COALINGA, CALIFORNIA

JUNE 30, 2018

BOARD OF DIRECTORS

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Ann Stone	Community Director	2018
Ernest Drewry	Community Director	2019
Steve Cantu	Trustee Director	N/A
Vacant	Community Director	2020
William Bourdeau, C.P.A.	Community Director	2020
Phil Larson	Community Director	2020
Brenda Thames	Staff Director	N/A
Laura Mendes-Moore	Community Director	2019
Nina Oxborrow	Trustee Director	N/A
Stuart Van Horn, Ed.D.	Staff Director	2018
Ken Stoppenbrink	Staff Director	N/A
Kristin Clark, Ed.D.	Staff Director	N/A
Kylee Henderson	Community Director	2019
Vacant	Community Director	2020
Rosa Hernandez	Community Director	2019
Stuart Van Horn, Ed.D.	Chancellor	N/A

ADMINISTRATION

Alexis Perez

Executive Director

WEST HILLS COMMUNITY COLLEGE FOUNDATION

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Directors
West Hills Community College Foundation
Coalinga, California

We have audited the accompanying financial statements of West Hills Community College Foundation (the Foundation), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses, 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,

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Hills Community College Foundation as of June 30, 2018 and 2017, 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.

Report on Summarized Comparative Information

We have previously audited the West Hills Community College Foundation's 2017 financial statements, and our report dated December 29, 2017, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Vannink, Trine, Day & Co., LLP

Fresno, California
January 2, 2019

WEST HILLS COMMUNITY COLLEGE FOUNDATION

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2018

WITH COMPARATIVE TOTALS AS OF JUNE 30, 2017

June 30,
2018

The accompanying notes are an integral part of these financial statements.

WEST HILLS COMMUNITY COLLEGE FOUNDATION

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017**

	June 30, 2018			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
CHANGES IN UNRESTRICTED NET ASSETS				
REVENUES				
Donations and special events	\$ 354,792	\$ 189,766	\$ 38,000	\$ 582,558
Donated salaries	478,692	-	-	478,692
Federal revenue	135,827	-	-	135,827
Program fees	89,757	-	-	89,757
Program contracts	68,917	-	-	68,917
Fundraisers	178,407	-	-	178,407
Investment income	73,846	41,079	58,582	173,507
Other	10,704	-	-	10,704
Transfers	(31,702)	588	31,114	-
Net assets released from restrictions	829,309	(248,883)	(580,426)	-
Total Revenue	<u>2,188,549</u>	<u>(17,450)</u>	<u>(452,730)</u>	<u>1,718,369</u>
EXPENSES				
Program services:				
Scholarships	312,786	-	-	312,786
College Enhancement	239,355	-	-	239,355
Athletic Programs	128,113	-	-	128,113
Educational Programs	170,059	-	-	170,059
Support services:				
General Administrative	164,416	-	-	164,416
Fundraisers	77,577	-	-	77,577
Total Expenses	<u>1,092,306</u>	<u>-</u>	<u>-</u>	<u>1,092,306</u>
INCREASE/(DECREASE) IN NET ASSETS	<u>1,096,243</u>	<u>(17,450)</u>	<u>(452,730)</u>	<u>626,063</u>
NET ASSETS, BEGINNING OF YEAR	<u>690,038</u>	<u>849,719</u>	<u>1,872,842</u>	<u>3,412,599</u>
NET ASSETS, END OF YEAR	<u>\$ 1,786,281</u>	<u>\$ 832,269</u>	<u>\$ 1,420,112</u>	<u>\$ 4,038,662</u>

The accompanying notes are an integral part of these financial statements.



June 30, 2017

\$	662,053
	321,283
	29,011
	150,622
	98,476
	140,014
	119,019
	9,729
	-
	-
	<u>1,530,207</u>

	318,378
	254,087
	123,592
	166,314
	129,947
	<u>65,195</u>
	<u>1,057,513</u>
	472,694
	2,939,905
\$	<u><u>3,412,599</u></u>

WEST HILLS COMMUNITY COLLEGE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017

	June 30,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 626,063	\$ 472,694
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Decrease in accounts receivable	44,433	149,475
Increase in prepaid assets	(5,435)	-
(Increase)/decrease in accounts payable	21,015	(86,233)

The accompanying notes are an integral part of these financial statements.

WEST HILLS COMMUNITY COLLEGE FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017

	Scholarships	College Enhancement	Athletic Programs	Educational Programs	Total Program Services
EXPENSES					
Salaries	\$ 64,022	\$ 86,914	\$ 44,232	\$ 35,604	\$ 230,772
Benefits	26,439	32,759	15,133	12,065	86,396
Total Salaries and Benefits	90,461	119,673	59,365	47,669	317,168
Donations	451	2,682	1,920	-	5,053
Educational	-	19,088	-	35,673	54,761
Equipment	-	1,698	-	-	1,698
Insurance	-	436	15	900	1,351

The accompanying notes are an integral part of these financial statements.

<u>Support</u>		<u>Total Support Services</u>	<u>Total Expenses</u>	
<u>General Administrative</u>	<u>Fundraisers</u>		<u>June 30,</u>	
			<u>2018</u>	<u>2017</u>
\$ 90,872	\$ 26,012	\$ 116,884	\$ 347,656	\$ 239,572
35,020	9,620	44,640	131,036	81,711
125,892	35,632	161,524	478,692	321,283
-	-	-	5,053	4,061
-	-	-	54,761	107,389
3,517	-	3,517	5,215	14,373
310	-	310	1,661	1,484
-	-	-	-	(64)
1,150	3,646	4,796	6,543	2,630
6,080	10,557	16,637	62,925	74,551
953	-	953	953	3,872
86	14,770	14,856	26,728	27,532
836	-	836	34,063	20,298
-	-	-	221,728	258,246
4,631	12,791	17,422	104,467	134,717
20,961	181	21,142	89,517	87,141
<u>\$ 164,416</u>	<u>\$ 77,577</u>	<u>\$ 241,993</u>	<u>\$ 1,092,306</u>	<u>\$ 1,057,513</u>

WEST HILLS COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 and 2017

WEST HILLS COMMUNITY COLLEGE FOUNDATION

WEST HILLS COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 and 2017

Fundraising

The Foundation is a separate 501(c)3 corporation to which tax-deductible contributions can be made. The foundation provides the structure necessary to encourage and secure financial support from individuals, foundations, and corporations.

Membership

There is no formal membership, other than the board of directors, for the Foundation.

NOTE 3 - CASH

Deposits

For the fiscal years ended June 30, 2018 and 2017, the carrying amounts of the Foundation's deposits were \$416,394 and \$238,286, respectively. On June 30, 2018, the bank balances totaled \$312,635. Of this amount, \$295,835 is federally insured by the Federal Deposit Insurance Corporation.

NOTE 4 - INVESTMENTS

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WEST HILLS COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 and 2017

WEST HILLS COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 and 2017

Spending Policy and How the Investment Objectives Relate to Spending Policy

WEST HILLS COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 and 2017

Assets and Liabilities Recorded at Fair Value on a Recurring Basis

The following tables present the balances of the assets measured at fair value on a recurring basis as of June 30, 2018 and 2017, respectively.

June 30, 2018

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 193,699	\$ -	\$ -	\$ 193,699
Common stock	619,183	-	-	619,183
Municipal bonds	644,901	-	-	644,901
Government bonds	394,849	-	-	394,849
U.S. Government Securities	105,281	-	-	105,281
Unit Investment Trusts	721,998	-	-	721,998
Certificates of deposits	314,634	-	-	314,634
Preferred/fixed rate cap securities	51,873	-	-	51,873
ETFs and CEFs	299,727	-	-	299,727
Assets invested in the CCSE - Pooled trust	336,007	-	-	336,007
Total	<u>\$ 3,682,152</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,682,152</u>

June 30, 2017

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 106,984	\$ -	\$ -	\$ 106,984
Common stock	412,330	-	-	412,330
Municipal bonds	391,485	-	-	391,485
Government bonds	122,625	-	-	122,625
U.S. Government Securities	377,435	-	-	377,435
Unit Investment Trusts	857,386	-	-	857,386
Certificates of deposits	318,784	-	-	318,784
Preferred/fixed rate cap securities	65,997	-	-	65,997
ETFs and CEFs	189,446	-	-	189,446
Assets invested in the CCSE - Pooled trust	314,913	-	-	314,913
Total	<u>\$ 3,157,384</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,157,384</u>

The Foundation did not have any Level 3 investment liabilities as of June 30, 2018 and 2017.

WEST HILLS COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018 and 2017

NOTE 6 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2018 and 2017, are as follows:

	June 30,	
	2018	2017
Program fees	\$ -	\$ 44,433

NOTE 7 - ACCOUNTS PAYABLE

Accounts payable at June 30, 2018 and 2017, are as follows:

	June 30,	
	2018	2017
Vendors payable	\$ 48,519	\$ 27,504

NOTE 8 - DONATED SERVICES

The Foundation receives donated services from the College for the general administration of the Foundation. For the years ended June 30, 2018 and 2017, the value of the services received from the College was as follows:

	June 30,	
	2018	2017
Scholarships	\$ 90,461	\$ 57,723
College Enhancement	119,673	72,787
Athletic Programs	59,365	52,216
Educational Programs	47,669	34,810
General Administrative	125,892	73,958
Fundraisers	35,632	29,789
Total	\$ 478,692	\$ 321,283

WEST HILLS COMMUNITY COLLEGE FOUNDATION

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 and 2017**

NOTE 9 - NET ASSETS

Unrestricted Net Assets

At June 30, 2018, and 2017, unrestricted net assets consisted of the following:

	June 30,	
	2018	2017
Unrestricted	<u>\$ 1,786,281</u>	<u>\$ 1,240,071</u>

Temporarily Restricted Net Assets

Temporarily restricted net assets consist of program funds held for the following various purposes:

	June 30,	
	2018	2017
Endowed program funds available		
General	\$ 45,759	\$ 43,992
WHCC Title V	87,429	84,054
Subtotal endowed funds available for spending	<u>133,188</u>	<u>128,046</u>
Scholarships	882,048	902,876
Other	8,109	13,095
Total	<u>\$ 832,269</u>	<u>\$ 849,719</u>

Permanently Restricted Net Assets

Changes in temporarily and permanently restricted endowment net assets, for which investment and interest earnings may be used for scholarship grants, included the following:

	Endowment Temporarily Restricted	Permanently Restricted	Total Endowments
Beginning of year	\$ 849,719	\$ 1,322,809	\$ 2,172,528
Contributions	189,766	3,800	193,566
Investment income	41,079	58,582	99,661
Net assets released from restrictions	(248,295)	34,921	(213,374)
Total	<u>\$ 832,269</u>	<u>\$ 1,420,112</u>	<u>\$ 2,252,381</u>

WEST HILLS COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 and 2017

NOTE 10 - SUBSEQUENT EVENTS