

College of Eastern Idaho Foundation, Inc.
(a Component Unit of the College of Eastern Idaho)

Financial Statements

Years Ended June 30, 2020 and 2019



WIPFLI

College of Eastern Idaho Foundation, Inc.

Financial Statements

Years Ended June 30, 2020 and 2019

Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position.....	2
Statements of Activities.....	3
Statements of Functional Expenses.....	4
Statements of Cash Flows.....	5-6
Notes to Financial Statements.....	7-15

Independent Auditor's Report

College of Eastern Idaho Foundation, Inc.
Idaho Falls, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of College of Eastern Idaho Foundation, Inc. (the "Foundation") a component unit of the College of Eastern Idaho, which comprise the statements of financial position as of June 30, 2020 and 2019, 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; 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. 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 College of Eastern Idaho Foundation, Inc., a component unit of the College of Eastern Idaho, 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.

A handwritten signature in black ink that reads "Wipfli LLP".

Wipfli LLP

Idaho Falls, Idaho
September 3, 2020

College of Eastern Idaho Foundation, Inc.

Statements of Financial Position

<i>Years Ended June 30,</i>	2020	2019 - as restated
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,423,081	\$ 733,764
Investments	2,122,474	2,914,489
Total current assets	3,545,555	3,648,253
PERMANENTLY RESTRICTED ASSETS		
Investments	2,634,817	1,794,074
EQUIPMENT		
Equipment	6,164	6,164
Accumulated depreciation	6,164	6,164
Net equipment	-	-
Total assets	\$ 6,180,372	\$ 5,442,327
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 28,714	\$ 7,106
Total current liabilities	28,714	7,106
LONG-TERM LIABILITIES		
Total liabilities	28,714	7,106
NET ASSETS		
Without donor restrictions	349,047	391,573
With donor restrictions	5,802,611	5,043,648
Total net assets	6,151,658	5,435,221
Total liabilities and net assets	\$ 6,180,372	\$ 5,442,327

See Independent Auditor's Report and accompanying notes to financial statements.

College of Eastern Idaho Foundation, Inc.

Statements of Activities

<i>Years Ended June 30,</i>	2020			2019 - as restated		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Support and Revenue:						
Public Support						
Contributions	\$ 20,956	\$ 1,312,645	\$ 1,333,601	\$ 49,047	\$ 1,354,934	\$ 1,403,981
Fund raising events, net of expenses	6,696	-	6,696	32,268	-	32,268
Donated services	122,122	-	122,122	85,698	-	85,698
Donated property and equipment	57,226	-	57,226	81,968	-	81,968
Unrealized gain (loss) on investments	(10,170)	(159,325)	(169,495)	(8,627)	(135,154)	(143,781)
Gain on sale of investments	7,710	120,796	128,506	9,366	146,728	156,094
Interest and dividends, net of expenses	12,433	181,768	194,201	13,587	199,702	213,289
Net assets released from restriction	696,921	(696,921)	-	621,703	(621,703)	-
Total support and revenue	913,894	758,963	1,672,857	885,010	944,507	1,829,517
Expenses:						
Scholarships & college support	760,065	-	760,065	626,612	-	626,612
Solicitation	17,405	-	17,405	23,638	-	23,638
Operation & event	178,950	-	178,950	188,739	-	188,739
Total expenses	956,420	-	956,420	838,989	-	838,989
Change in net assets	(42,526)	758,963	716,437	46,021	944,507	990,528
Net assets - beginning	391,573	5,043,648	5,435,221	345,552	4,099,141	4,444,693
Net assets - ending	\$ 349,047	\$ 5,802,611	\$ 6,151,658	\$ 391,573	\$ 5,043,648	\$ 5,435,221

See Independent Auditor's Report and accompanying notes to financial statements.

College of Eastern Idaho Foundation, Inc.

Statements of Functional Expenses

<i>For the year ended June 30, 2020</i>	Scholarships & college support	Solicitation	Operation & event	Total
Scholarships	\$ 410,164	\$ -	\$ -	\$ 410,164
College support	349,901	-	-	349,901
Advertising and solicitation	-	17,405	-	17,405
Legal and professional	-	-	18,718	18,718
Telephone	-	-	1,364	1,364
Office expense	-	-	3,325	3,325
Miscellaneous	-	-	7,569	7,569
Travel	-	-	2,322	2,322
Website	-	-	4,426	4,426
Salary and benefits	-	-	135,166	135,166
Dues & subscriptions	-	-	6,060	6,060
Subtotal	760,065	\$ 17,405	\$ 178,950	\$ 956,420
Fundraising expenses netted with fundraising income	-	\$ 25,246	\$ -	\$ 25,246
Total expenditures	\$ 760,065	\$ 42,651	\$ 178,950	\$ 956,420

<i>For the year ended June 30, 2019</i>	Scholarships & college support	Solicitation	Operation & event	Total
Scholarships	\$ 410,895	\$ -	\$ -	\$ 410,895
College support	215,717	-	-	215,717
Advertising and solicitations	-	23,638	-	23,638
Legal and professional	-	-	17,143	17,143
Telephone	-	-	1,483	1,483
Office expense	-	-	1,487	1,487
Miscellaneous	-	-	3,950	3,950
Travel	-	-	1,570	1,570
Website	-	-	5,300	5,300
Salary and benefits	-	-	148,795	148,795
Dues & subscriptions	-	-	9,011	9,011
Subtotal	626,612	\$ 23,638	\$ 188,739	\$ 838,989
Fundraising expenses netted with fundraising income	-	\$ 39,510	\$ -	\$ 39,510
Total expenditures	\$ 626,612	\$ 63,148	\$ 188,739	\$ 878,499

See Independent Auditor's Report and accompanying notes to financial statements.

College of Eastern Idaho Foundation, Inc.

Statements of Cash Flows

<i>Years Ended June 30,</i>	2020	2019-as restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from contributors	\$ 1,187,583	\$ 1,264,181
Cash received from fund raising events	31,942	71,778
Cash paid for fund raising events	(25,246)	(39,510)
Cash paid towards college expenses	(17,405)	(23,638)
Cash paid for program services	(702,839)	(602,741)
Cash paid for operating activities	(48,243)	(62,816)
Cash paid for operating activities	425,792	607,254
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received	207,224	226,450
Net proceeds (purchases)	56,301	(765,471)
Net cash flows provided by investing activities	263,525	(539,021)
CASH FLOWS FROM FINANCING ACTIVITIES		
	-	-
Net increase (decrease) in cash	689,317	68,233
Cash and cash equivalents at beginning of year	733,764	665,531
Cash and cash equivalents at end of year	\$ 1,423,081	\$ 733,764

See Independent Auditor's Report and accompanying notes to financial statements.

College of Eastern Idaho Foundation, Inc.

Statements of Cash Flows (Continued)

<i>Years Ended June 30,</i>	2020	2019-as restated
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 716,437	\$ 990,528
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Loss (gain) on sale of investments	(128,506)	(156,094)
Unrealized loss (gain) on investments	169,495	143,781
Noncash stock donation received	(146,018)	(139,800)
Change in accounts payable	21,608	(4,711)
Interest and dividends	(207,224)	(226,450)
Total adjustments	(290,645)	(383,274)
Net cash flows from operating activities	\$ 425,792	\$ 607,254

SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING

Donated wages and benefits of \$122,122 and \$85,698 were received during the years ended June 30, 2020 and 2019, respectively. Donated materials of \$57,226 and \$81,968 were received and given to the Foundation during the years ended June 30, 2020 and 2019, respectively. There was also non-cash donations of stock in the amount of \$146,018 and \$139,800 for the years ended June 30, 2020 and 2019, respectively.

See Independent Auditor's Report and accompanying notes to financial statements.

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of operations

The College of Eastern Idaho Foundation, Inc. (the Foundation) was established in 1992 as the Eastern Idaho Technical College Foundation, Inc. to solicit gifts, devises, monies, or properties to be held and managed for the exclusive benefit as a component unit of the College of Eastern Idaho - formerly known as Eastern Idaho Technical College (the College). The Foundation's name was changed in 2017 in anticipation of the change in the name of the College. The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and a publicly supported charitable organization as described in sections 509(a)(1) and 170(b)(A)(vi).

The financial statements presented are only for the Foundation, and do not include the assets, liabilities, and fund balances, or the revenues, expenditures, and capital additions of the College of Eastern Idaho as a whole. Accordingly, the financial statements are not intended to present the financial position of College of Eastern Idaho or its results of operations in conformity with accounting principles generally accepted in the United States. The Foundation is a component unit of the College of Eastern Idaho and therefore, the financials are included in the financial statements that are issued by the College.

Basis of Accounting

The financial statements of the Foundation have been prepared in accordance with generally accepted accounting principles for Not-for-Profit Organizations.

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Revenues and Support

The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Foundation reports contributed property and equipment at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions when placed in service.

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Advertising and Promotion

Advertising and promotion costs are charged to operations when incurred. Advertising and promotion expense were \$6,585 and \$11,880 for the years ended June 30, 2020 and 2019, respectively.

Estimates

Preparing the Foundation's financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") require management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Foundation is organized as a nonprofit and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, no provision for income taxes has been made in these statements. The Foundation is subject to examination of its federal income tax filing in the United States generally for the three preceding tax years. There were no uncertain tax positions taken by the Foundation. In the event that the Foundation is assessed penalties and/or interest, penalties will be charged to other operating expense and interest will be charged to interest expense.

Change in Accounting Policy

On June 21, 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update assist in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) subject to Subtopic 958-605 or as exchange (reciprocal) transactions subject to Accounting Standards Codification 606 and (2) determining whether a transaction is conditional. The Foundation has applied the amendments in this ASU on a retrospective basis. There was no change on opening balances of net assets and the prior period was not restated as a result of this change. The amendments in this ASU also apply to both resources received by a recipient and resources given by a resource provider. Note that for transactions in which the entity serves as a resource provider, the effective date for the amendments in ASU 2018-08 are effective for fiscal years beginning after December 15, 2019.

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New accounting pronouncement

In May 2014, the Financial Accounting Standards Board (FASB) issued FASB issued ASU 2014-09, Revenues from Contracts with Customers (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard supersedes current revenue recognition requirements in FASB Accounting Standards Codification (ASC) Topic 605, *Revenue Recognition*, and most industry-specific guidance. When adopted, the amendments in the ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2019. The Foundation is currently evaluating the impact of the provisions of ASC 606.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Investments

The Foundation carries investments in marketable securities with readily determined fair values and all investments in debt securities at their fair values in the statement of financial position. Quoted market prices in active markets are used as the basis of measurement. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Investments are generally recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation). Those investments for which fair value is not readily determinable are carried at cost or, if donated, at fair value at the date of donation, or if no value can be estimated, at a nominal value. Investment income or loss and unrealized gains or losses are included in the statement(s) of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law.

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Donated Property and Equipment

The Foundation has recorded donations of property and equipment as support at their estimated fair value at the date of donation. Such donations are reported as support increasing net assets without donor restrictions unless the donor has restricted the donated assets for a specific purpose or period of time. Assets with explicit restrictions regarding their use are reported as restricted support. The donated property and equipment was passed through to the College.

Net Assets

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

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions: Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs donated by the College are allocated to operation/event. Program costs include scholarships and college support .

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 2: Cash and Cash Equivalents

At June 30, 2020 and 2019, the carrying amount of the Foundation's cash and cash equivalents was \$1,423,081 and \$733,764 respectively. The cash balance was comprised of the following:

<i>Years Ended June 30,</i>	2020	2019
Cash on hand and demand deposits at banking institutions	\$ 1,411,138	\$ 721,821
Cash held in certificates of deposit	11,943	11,943
Total	\$ 1,423,081	\$ 733,764

The Foundation maintains cash balances at financial institutions where the accounts are insured by the FDIC for up to \$250,000. At certain times during the year, cash balances may exceed FDIC-insured levels. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Note 3: Investments

Investments and related returns for the years ended at June 30, 2020 and 2019 consisted of the following:

	2020	2019
Money market funds	\$ 136,691	\$ 331
Equities	21,202	28,434
Mutual funds	4,596,409	4,679,798
Real estate investment trust	2,989	
Totals	\$ 4,757,291	\$ 4,708,563

<i>Years Ended June 30,</i>	2020	2019
Net unrealized and realized gains (losses)	\$ (40,989)	\$ 12,313
Investment income	194,201	226,450
Investment fees	(13,023)	(13,161)
Totals	\$ 140,189	\$ 225,602

Investments are held through Edward Jones and are insured by the Securities Investor Protection Corporation.

Investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported on the financial statements.

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 4: Donated Services

The College donated 100% of the total Director of Operation's and a portion of the Scholarship Coordinator's salary and benefits, which has been recorded in these financial statements as a donation and expenditure at June 30, 2020 and 2019, of \$122,122 and \$85,698, respectively. The College also provides office space and other services to the Foundation. The value of these services is not reflected in these statements.

A substantial number of unpaid volunteers have made significant contributions of their time to the operations of the Foundation. The value of these donated services and time is not recognized in the accompanying financial statements because they do not meet the criteria for recognition.

Note 5: Net Assets

The total amount of donor restricted net assets temporary in nature as of June 30, 2020 and 2019, was available for the following purposes:

<i>Years Ended June 30,</i>	2020	2019
GOALS/Library expansion	\$ 1,500	\$ 1,500
Health equipment	-	7,776
Scholarships and college support	3,166,294	2,980,243
Total	\$ 3,167,794	\$ 2,989,519

Donor restricted net assets permanent in nature at June 30, 2020 and 2019, are restricted to investment in perpetuity, the income from which is expendable to support:

<i>Years Ended June 30,</i>	2020	2019
Scholarships to Idaho Steel employees and related individuals	\$ 50,000	\$ 50,000
Health related program scholarships	148,000	148,000
Activities of the Foundation	10,000	10,000
Other scholarships	2,372,817	1,532,074
Mechanical trade program scholarships	54,000	54,000
Total	\$ 2,634,817	\$ 1,794,074

Net assets at June 30, 2020 and 2019, were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by donors as follows:

<i>Years Ended June 30,</i>	2020	2019
Scholarships and college support	\$ 696,921	\$ 621,703
Total	\$ 696,921	\$ 621,703

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 6: Donor Restricted Assets

At June 30, 2020 and 2019, the Foundation had donor-restricted endowments for the purposes of supporting the College and providing student scholarships. The Board of Directors has interpreted the Idaho Uniform Prudent Management of Institution Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2020 and 2019, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment and (b) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. The Foundation considers the following factors when deciding to appropriate or accumulate donor-restricted endowment funds:

Duration and preservation of the fund

Purposes of the organization and the donor-restricted endowment fund

General economic conditions

Possible effect of inflation and deflation

Expected total return from income and the appreciation of investments

Other resources of the Foundation

Investment policies of the Foundation

The primary long-term financial objective for the Foundation's endowments is to preserve the real purchasing power of endowment assets and income after accounting for endowment spending and costs of portfolio management. The endowments are held at the Foundation and subject to the Foundation's approved investment policy statements.

The amount permanently restricted by donors was \$2,634,817 and \$1,794,074, respectively. The Foundation determines the amount to be paid out as scholarships and college support on an annual basis.

The endowment funds consist of donor-restricted endowments and funds by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 7: Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

<i>Years Ended June 30,</i>	2020	2019
Financial assets at year-end:		
Cash and cash equivalents	\$ 1,423,081	\$ 733,764
Investment securities	4,757,291	4,708,563
Total liquid financial assets available	6,180,372	5,442,327
Less amounts not available to be used within one year		
Net assets with donor restrictions	5,802,611	5,043,648
 Financial assets available (unavailable) to meet general expenditures within 12 months	 \$ 377,761	 \$ 398,679

The Foundation strives to maintain liquid financial assets sufficient to cover 180 days of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds and other short-term investments.

Note 8: Endowment Funds

In July 1999, the Rogers and Hazel Rose Fund for the College of Eastern Idaho Foundation, Inc. was set up with the Idaho Community Foundation (ICF), an Idaho nonprofit corporation, in the amount of \$100,000. The assets of the fund are held by ICF as a permanent endowment. The purpose of the fund is to make charitable distributions to the College of Eastern Idaho Foundation, Inc. and/or maintenance needs and student scholarships. The maximum distribution from the fund is restricted to 50% of the prior year's net earnings. The Foundation received \$4,903 during the current year and \$4,902 during the prior year and had no receivable at June 30, 2020 and 2019. These assets are not reflected on these financial statements, as they are the assets of ICF.

Note 9: Funds Held by Idaho Community Foundation

The Daugherty Foundation – EITC Scholarship Fund was established in 1991 with the Idaho Community Foundation (ICF), an Idaho nonprofit corporation. The purpose of the fund is to make charitable distributions to the College of Eastern Idaho in the form of student scholarships and college improvements. The ICF has discretionary authority to distribute principal, any additions thereto, and income earned in making the donations. The Foundation received \$5,313 during the current year and \$5,313 during the prior year and had no receivable at June 30, 2020 and 2019. These assets are not reflected on these financial statements, as they are the assets of ICF.

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 10: Fair Value Measurements

Following is a description of the valuation methodologies used for assets measured at fair value:

- Quoted market prices are used to determine the fair value of investments in publicly traded equity securities (common and preferred stock). Money market funds are valued using \$1 as the net asset value. Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held are deemed to be actively traded.

The methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value.

The following tables present the balances of assets at fair value on a recurring basis by level within the fair value hierarchy at June 30:

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Interest bearing cash	\$ 137,091	\$ -	\$ -	\$ 137,091
Mutual funds	4,599,398	-	-	4,599,398
Stocks	21,202	-	-	21,202
Total investment assets at fair value	\$ 4,757,691	\$ -	\$ -	\$ 4,757,691

	Assets at Fair Value as of June 30, 2018			
	Level 1	Level 2	Level 3	Total
Interest bearing cash	\$ 331	\$ -	\$ -	\$ 331
Mutual funds	4,679,798	-	-	4,679,798
Stocks	28,434	-	-	28,434
Total investment assets at fair value	\$ 4,708,563	\$ -	\$ -	\$ 4,708,563

There were no assets or liabilities measured at fair value on a nonrecurring basis as of June 30, 2020 and 2019.

College of Eastern Idaho Foundation, Inc.

Notes to Financial Statements

Note 11: Concentration of Contributions or Grants

The Foundation relies primarily on contributions. Contributions generally come from donors in south east Idaho for the years ending June 30, 2020 and 2019.

Note 12: Subsequent Events

The Foundation has evaluated events and transaction for potential recognition or disclosure in the financial statements through September 3, 2020, which is the date the financial statements were available to be issued.

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 virus crisis ("CV19 Crisis"). As of the date of the financial statements multiple jurisdictions in the U.S. have declared states of emergency. As a result, the Foundation canceled the Great Race. The Foundation cannot reasonably estimate the long-term impact of the pandemic.

There were no other subsequent type events, identified by management of the Foundation, that are required to be disclosed.

Note 13: Restatement of Previously Issued Financial Statement

The financial statements as of and for the year ended June 30, 2019, have been restated to correct an error that was detected during the audit for the year ended June 30, 2020.

During the year ended June 30, 2019, the Foundation recorded a transfer from the bank account in duplicate resulting in an understatement of cash and contributions. To correct this error, the cash and donor restricted donations were each increased by \$307,000 for the year ended June 30, 2019. During the year ended June 30, 2019, the Foundation recorded a donation of \$46,945 as donor restricted which was determined to be without donor restrictions. The total effect on the ending net assets as of June 30, 2019, was an increase of \$307,000.