

STATE CENTER COMMUNITY COLLEGE FOUNDATION  
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA  
YEAR ENDED JUNE 30, 2007  
WITH COMPARATIVE TOTALS FOR 2006

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**INDEPENDENT AUDITORS' REPORT**

**Board of Directors  
State Center Community College Foundation  
Fresno, California**

We have audited the accompanying statement of financial position of State Center Community College Foundation (the Foundation) as of June 30, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior-year summarized comparative information has been derived from the organization's 2006 financial statements.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of State Center Community College Foundation as of June 30, 2007, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*Moore Grider & Company*

December 21, 2007

STATE CENTER COMMUNITY COLLEGE FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2007 AND 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	TOTALS	
				2007	2006
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash	\$ 13,115	\$ 109,448	0	\$ 122,563	\$ 42,821
Receivables	0	14,346	0	14,346	27,646
Pledges Receivable, net of allowance for uncollectible amounts (Note 2)	0	376,689	0	376,689	0
Short-term investments (Note 3)	141,390	260,583	0	401,973	657,363
<b>TOTAL CURRENT ASSETS</b>	<b>154,505</b>	<b>761,066</b>	<b>0</b>	<b>915,571</b>	<b>727,830</b>
<b>PLEDGES RECEIVABLE</b> , net of current portion (Note 2)	0	465,169	0	465,169	0
<b>EQUIPMENT, NET OF ACCUMULATED DEPRECIATION</b> (Note 4)	5,456	0	0	5,456	10,909
<b>LONG-TERM INVESTMENTS</b> (Note 3)	334,710	5,639,896	5,406,548	11,381,154	9,552,649
<b>TOTAL ASSETS</b>	<b>494,671</b>	<b>6,866,131</b>	<b>5,406,548</b>	<b>12,767,350</b>	<b>10,291,388</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable and accrued liabilities	6,566	16,048	0	22,614	48,173
Annuity agreement liabilities - short-term (Note 5)	0	9,956	0	9,956	9,091
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,566</b>	<b>26,004</b>	<b>0</b>	<b>32,570</b>	<b>57,264</b>
<b>ANNUITY AGREEMENT LIABILITIES - LONG-TERM</b> (Note 5)	0	12,433	0	12,433	21,706
<b>TOTAL LIABILITIES</b>	<b>6,566</b>	<b>38,437</b>	<b>0</b>	<b>45,003</b>	<b>78,970</b>
<b>NET ASSETS</b>					
Unrestricted	488,105	0	0	488,105	423,245
Temporarily restricted (Note 6)	0	6,827,694	0	6,827,694	5,083,433
Permanently restricted (Note 6)	0	0	5,406,548	5,406,548	4,705,740
<b>TOTAL NET ASSETS</b>	<b>488,105</b>	<b>6,827,694</b>	<b>5,406,548</b>	<b>12,722,347</b>	<b>10,212,418</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 494,671</b>	<b>\$ 6,866,131</b>	<b>\$ 5,406,548</b>	<b>\$ 12,767,350</b>	<b>\$10,291,388</b>

See Accompanying Notes to Financial Statements

STATE CENTER COMMUNITY COLLEGE FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2007 WITH COMPARATIVE TOTALS FOR 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	TOTALS	
				2007	2006
<b>PUBLIC SUPPORT AND REVENUES</b>					
Contributions	\$ 438,821	\$ 2,489,707	209,338	\$ 3,137,866	\$ 1,797,083
Interest and dividends (Note 3)	17,928	104,418	101,646	223,992	164,668
Realized gain on sale of investments (Note 3)	6,935	43,012	67,432	117,379	71,613
Unrealized gain on investments (Note 3)	24,051	481,141	498,959	1,004,151	362,018
Net assets released from restrictions:					
Satisfaction of program restrictions (Note 6)	1,550,584	(1,550,584)	0	0	0
Income reallocation (Note 6)	0	176,567	(176,567)	0	0
<b>TOTAL PUBLIC SUPPORT AND REVENUES</b>	<u>2,038,319</u>	<u>1,744,261</u>	<u>700,808</u>	<u>4,483,388</u>	<u>2,395,382</u>
<b>EXPENSES (NOTE 7)</b>					
Program services:					
Educational activities	1,419,720	0	0	1,419,720	1,134,695
Scholarships and awards	248,038	0	0	248,038	275,320
	<u>1,667,758</u>	<u>0</u>	<u>0</u>	<u>1,667,758</u>	<u>1,410,015</u>
Management and general	193,664	0	0	193,664	219,850
Fundraising	112,037	0	0	112,037	152,243
<b>TOTAL EXPENSES</b>	<u>1,973,459</u>	<u>0</u>	<u>0</u>	<u>1,973,459</u>	<u>1,782,108</u>
<b>NET INCREASE IN NET ASSETS</b>	64,860	1,744,261	700,808	2,509,929	613,274
<b>NET ASSETS, beginning of year</b>	<u>423,245</u>	<u>5,083,433</u>	<u>4,705,740</u>	<u>10,212,418</u>	<u>9,599,144</u>
<b>NET ASSETS, end of year</b>	<u>\$ 488,105</u>	<u>\$ 6,827,694</u>	<u>\$ 5,406,548</u>	<u>\$12,722,347</u>	<u>\$10,212,418</u>

See Accompanying Notes to Financial Statements

**STATE CENTER COMMUNITY COLLEGE FOUNDATION**

**STATEMENTS OF CASH FLOWS**

**YEARS ENDED JUNE 30, 2007 AND 2006**

	<b>2007</b>	<b>2006</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 2,509,929	\$ 613,274
Adjustments to reconcile increase in net assets to net cash provided from (used by) operating activities:		
Depreciation	5,453	5,453
Contributions for long-term investment	(209,338)	0
Realized gain on sale of investments	(117,379)	(71,613)
Unrealized gain on investments	(1,004,151)	(362,018)
Changes in:		
Receivables	13,300	(20,933)
Pledges receivable	(841,858)	0
Accounts payable and accrued liabilities	(25,559)	(160,341)
Annuity obligations	0	(22,755)
	<u>330,397</u>	<u>(18,933)</u>
<b>NET CASH PROVIDED FROM (USED BY) OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net purchases of investments	(451,585)	0
Net sales of investments	0	21,557
	<u>(451,585)</u>	<u>21,557</u>
<b>NET CASH PROVIDED FROM (USED BY) INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on annuity obligations	(8,408)	(8,301)
Contributions restricted for long-term investment	209,338	0
	<u>200,930</u>	<u>(8,301)</u>
<b>NET CASH PROVIDED FROM (USED BY) FINANCING ACTIVITIES</b>		
<b>NET INCREASE (DECREASE) IN CASH</b>	79,742	(5,677)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	42,821	48,498
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 122,563</u>	<u>\$ 42,821</u>

See Accompanying Notes to Financial Statements

**STATE CENTER COMMUNITY COLLEGE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007 AND 2006**

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

State Center Community College Foundation is incorporated as a nonprofit public benefit auxiliary corporation to provide financial support for scholarship awards and student activities at the campuses of the State Center Community College District.

The following are the significant accounting policies of the organization:

**Method of accounting** - The financial statements are prepared using the accrual basis of accounting, in which support and revenue are recognized when received or earned and expenses are recognized when incurred.

**Tax status** - The Foundation is a nonprofit public benefit corporation exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Foundation has been classified as an organization that is not a private foundation and has been designated as a "publicly supported" organization. Contributions to the Foundation are deductible under Section 170(c)(2).

**Cash and cash equivalents** - For purposes of the statements of cash flows, the organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Receivables** - Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to receivables. Changes in the valuation allowance have not been material to the financial statements. At June 30, 2007 and 2006 the organization considers all amounts to be fully collectible; therefore, no allowance for doubtful accounts is reflected.

**Pledges Receivable** - Unconditional pledges receivable from donors that are expected to be collected within one year are recorded at net realizable value. Long-term pledges receivable that are expected to be collected in a period beyond one year are recorded at a discount using the present value of their estimated future cash flows. The discounts on long-term pledges receivable are computed using risk-free interest rates applicable to the period in which the pledges to give are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Management has determined that an allowance of \$28,471 for uncollectible pledges receivable is sufficient.

STATE CENTER COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2007 AND 2006

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)

**Investments**

Permanently restricted - Each of the four endowments within the group receives separate returns based on its invested portfolio and records the return on its investments in interest and dividends in the accompanying statement of activities.

Temporarily restricted and unrestricted - Each activity participating in the investment pool receives its pro rata share of the overall return and records the return on its investments in interest and dividends in the accompanying statement of activities.

The investment portfolios of all the funds are carried at fair value at June 30, 2007 and 2006. All investment income is credited to unrestricted net assets unless otherwise designated by the donor. All capital appreciation/depreciation earned on temporarily restricted and unrestricted investments are credited to unrestricted net assets, unless otherwise designated by the donor.

Interest and dividends (net of management fees) and realized gains (losses) earned on permanently restricted investments is credited one-half to permanently restricted net assets and the other half is credited to temporarily restricted net assets and available for funding scholarship or student activity needs of the campuses.

As of February 22, 2006, the board approved a spending/distribution policy. All endowed scholarship gifts not governed by U.S. Department of Education Title III Regulations shall be managed in accordance with the following spending/distribution policy:

It is the policy of the Foundation to preserve the principal of the endowment fund ("Endowment") and maintain its current and future value, while providing for a consistent volume of annual earnings available to be distributed for scholarship purposes. In this regard, the Endowment shall annually make available for distribution 4 1/2% of its principal balance as follows: in the quarter that the distribution is to be made, 4 1/2% of the average quarterly book balance of the Endowment shall be calculated by multiplying 4 1/2% by the average quarterly book value of the Endowment as determined over the three year period immediately preceding the year in which the distribution is to be made. To the extent that the actual earnings for the year fall short of the 4 1/2% calculation, available earnings from previous years can be distributed. This 4 1/2% calculation of distributable earnings shall then be allocated pro rata between all individual endowment accounts based on each individual endowment account's beginning of the year book market value, plus current year donations and reinvestments (weighted for the month in which they were made). Earnings shall be defined as dividends, interest, and, to the



STATE CENTER COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2007 AND 2006

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)

**Investments** (continued)

extent that distributions are not covered by interest and dividends, and realized gain. Annually, earnings not distributed pursuant to this policy shall be combined into the Endowment principal.

**Equipment** - The organization follows the practice of capitalizing all Foundation expenditures for equipment in excess of \$1,000. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of the donation. Depreciation is computed using the straight-line method at rates designed to distribute the costs of properties over their estimated useful lives. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period.

Funding agencies maintain a reversionary interest in equipment acquired with grant funds.

**Accounting for contributions** - All contributions received are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. Unconditional promises to give that are silent as to the due date are presumed to be time restricted by the donor until received and are reported as temporarily restricted net assets.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Permanently restricted net assets include the principal amount of contributions accepted with the stipulation from the donor that the principal be maintained in perpetuity and only the income from those investments is expended for the purposes specified by the donors.

**Accounting estimates** - The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

STATE CENTER COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2007 AND 2006

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)

**Comparative financial information** - The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2006, from which the summarized information was derived.

NOTE 2: PLEDGES RECEIVABLE

Pledges receivable at June 30, 2007 and 2006 are as follows:

	2007	2006
Pledges receivable	\$ 914,634	\$ 0
Less: Unamortized discount	<u>44,305</u>	<u>0</u>
<b>TOTAL</b>	870,329	0
Less: Allowance for uncollectible pledges	<u>28,471</u>	<u>0</u>
Net pledges receivable	<u><b>\$ 841,858</b></u>	<u><b>\$ 0</b></u>
Amounts due in:		
Less than one year	\$ 376,689	\$ 0
One to four years	<u>465,169</u>	<u>0</u>
<b>TOTAL</b>	<u><b>\$ 841,858</b></u>	<u><b>\$ 0</b></u>

The average discount rate used to calculate the present value of promises to give expected to be collected in periods beyond one year was 7% for the year ended June 30, 2007.

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See next page for continuation of notes.

**STATE CENTER COMMUNITY COLLEGE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007 AND 2006**

**NOTE 3: INVESTMENTS**

The Foundation invests in premium investment grade mutual bond funds and equity securities from companies located throughout the world. Investments at June 30, 2007 and 2006 are summarized as follows:

	2007	
	FAIR MARKET VALUE	UNREALIZED GAIN
<b>SHORT-TERM INVESTMENTS</b>		
<b>Unrestricted</b>		
California Local Agency Investment Fund	\$ 141,390	\$ 0
<b>Temporarily Restricted</b>		
California Local Agency Investment Fund	260,583	0
<b>TOTAL SHORT-TERM INVESTMENTS</b>	<b>\$ 401,973</b>	<b>\$ 0</b>
<b>LONG-TERM INVESTMENTS</b>		
<b>Unrestricted</b>		
YCM Net Advisors	\$ 334,710	\$ 50,626
<b>Temporarily Restricted</b>		
Washington Mutual Fund	7,784	1,775
Cash Management Trust of America	16,618	154
YCM Net Advisors	5,575,364	959,909
Trusts	40,130	19,476
	5,639,896	981,314
<b>Permanently Restricted</b>		
Washington Mutual Fund	285,231	62,046
YCM Net Advisors	5,121,317	1,061,137
	5,406,548	1,123,183
<b>TOTAL LONG-TERM INVESTMENTS</b>	<b>\$ 11,381,154</b>	<b>\$ 2,155,123</b>

STATE CENTER COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2007 AND 2006

NOTE 3: INVESTMENTS (continued)

	<u>2006</u>	
	FAIR MARKET VALUE	UNREALIZED GAIN
<b>SHORT-TERM INVESTMENTS</b>		
<b>Unrestricted</b>		
California Local Agency Investment Fund	\$ 157,141	\$ 0
<b>Temporarily Restricted</b>		
YCM Net Advisors	295,795	26,575
California Local Agency Investment Fund	<u>204,427</u>	<u>0</u>
	<u>500,222</u>	<u>26,575</u>
<b>TOTAL SHORT-TERM INVESTMENTS</b>	<b><u>\$ 657,363</u></b>	<b><u>\$ 0</u></b>
<b>LONG-TERM INVESTMENTS</b>		
<b>Temporarily Restricted</b>		
Washington Mutual Fund	\$ 6,453	\$ 751
Cash Management Trust of America	15,839	155
YCM Net Advisors Trusts	4,779,292	513,553
	<u>45,325</u>	<u>15,548</u>
	<u>4,846,909</u>	<u>530,007</u>
<b>Permanently Restricted</b>		
Washington Mutual Fund	235,900	23,975
YCM Net Advisors	<u>4,469,840</u>	<u>570,415</u>
	<u>4,705,740</u>	<u>594,390</u>
<b>TOTAL LONG-TERM INVESTMENTS</b>	<b><u>\$ 9,552,649</u></b>	<b><u>\$ 1,124,397</u></b>

**STATE CENTER COMMUNITY COLLEGE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007 AND 2006**

**NOTE 3: INVESTMENTS (continued)**

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended June 30, 2007 and 2006:

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	
				2007	2006
Interest and dividends, (net of management fees of \$68,687 in 2007 and \$59,149 in 2006)	\$ 17,928	\$ 104,418	\$ 101,646	\$ 223,992	\$ 164,668
Realized gain on sale of investments	6,935	43,012	67,432	117,379	71,613
Unrealized gain on investments	<u>24,051</u>	<u>481,141</u>	<u>498,959</u>	<u>1,004,151</u>	<u>362,018</u>
	<u>\$ 48,914</u>	<u>\$ 628,571</u>	<u>\$ 668,037</u>	<u>\$ 1,345,522</u>	<u>\$ 598,299</u>

**NOTE 4: EQUIPMENT**

Equipment is comprised of an electronic billboard, computer equipment acquired with donated monies and various machinery. The purpose of the billboard is to advertise activities and events and to rent to the general public to generate revenues to benefit the State Center Community College District. The machinery is used at the Fresno City College Training Institute to allow students hands-on training of manufacturing equipment.

	2007	2006
Electronic Billboard - Reedley College	\$ 54,533	\$ 54,533
Computer equipment	41,240	41,240
Various machinery - Fresno Training	<u>203,760</u>	<u>203,760</u>
	299,533	299,533
Accumulated depreciation	<u>(294,077)</u>	<u>(288,624)</u>
	<u>\$ 5,456</u>	<u>\$ 10,909</u>

**STATE CENTER COMMUNITY COLLEGE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007 AND 2006**

**NOTE 5: ANNUITY AGREEMENTS**

The Foundation has received investment donations in which the donors have retained life interests under a charitable remainder annuity trust (CRAT). These assets are not available for the support of the Foundation's programs until after the death of the donors plus any specified additional beneficiary's life or stated term. These assets are recorded as part of temporarily restricted net assets at their fair value of \$40,130 and \$45,325 as of June 30, 2007 and 2006, respectively. The remaining assets of the CRAT will be transferred to unrestricted net assets upon termination of the life interests. The annuity trust agreements provide that the donors, during their lifetimes, shall be paid an amount equal to the percent of the net fair market value of the assets of the trust (7.5% for trust #1 and 10% for trust #2), based on the valuation of the assets as of the date of the conveyance to the Foundation.

	2007	2006
<b>Charitable Remainder Annuity Trust #1</b>		
Assets	\$ 15,025	\$ 16,762
Liabilities	<u>(15,025)</u>	<u>(16,762)</u>
<b>NET ASSETS</b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>
 <b>Charitable Remainder Annuity Trust #2</b>		
Assets	25,105	28,563
Liabilities	<u>(7,364)</u>	<u>(14,035)</u>
<b>NET ASSETS</b>	<b><u>\$ 17,741</u></b>	<b><u>\$ 14,528</u></b>

The current and long-term portions of the liabilities of the charitable remainder annuity trusts as of June 30, 2007 and 2006 are the following:

	2007			2006		
	Current	Long-term	Total	Current	Long-term	Total
Trust #1	\$ 2,593	\$ 12,433	\$15,026	\$ 2,419	\$14,343	\$16,762
Trust #2	<u>7,363</u>	<u>0</u>	<u>7,363</u>	<u>6,672</u>	<u>7,363</u>	<u>14,035</u>
	<b><u>\$ 9,956</u></b>	<b><u>\$ 12,433</u></b>	<b><u>\$22,389</u></b>	<b><u>\$ 9,091</u></b>	<b><u>\$21,706</u></b>	<b><u>\$30,797</u></b>

STATE CENTER COMMUNITY COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2007 AND 2006

NOTE 6: PERMANENTLY AND TEMPORARILY RESTRICTED NET ASSETS

Permanently and temporarily restricted net assets are available for the following purposes as of June 30, 2007 and 2006:

	2007		2006	
	PERMANENTLY RESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TEMPORARILY RESTRICTED
Scholarships	\$ 4,523,563	\$ 3,610,306	\$ 3,815,624	\$ 3,028,290
Instructional programs	542,232	644,146	543,215	793,499
Non-instructional programs	323,487	2,205,553	329,769	1,014,699
Athletic programs	17,264	327,559	17,132	201,620
Charitable remainder annuity trusts	0	40,130	0	45,325
	<u>\$ 5,406,546</u>	<u>\$ 6,827,694</u>	<u>\$ 4,705,740</u>	<u>\$ 5,083,433</u>

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes during the year ended June 30, 2007 are:

	2007 TEMPORARILY RESTRICTED
Scholarships	\$ 310,329
Instructional programs	352,029
Non-instructional programs	708,234
Athletic programs	169,710
Charitable remainder annuity trusts	10,282
	<u>\$ 1,550,584</u>

Net assets released from restrictions - income reallocation during the year ended June 30, 2007 are:

Interest and dividends (net of management fees) and realized gains (losses) earned on permanently restricted net assets that were reallocated from permanently restricted net assets to temporarily restricted net assets in the amount of \$176,567.

**STATE CENTER COMMUNITY COLLEGE FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2007 AND 2006**

**NOTE 7: FUNCTIONAL EXPENSES**

Functional expenses for the year ended June 30, 2007 are the following:

	<u>Program Services</u>		<u>General and</u>		<u>Total</u>
	<u>Educational</u>	<u>Scholarships</u>	<u>Administrative</u>	<u>Fundraising</u>	
	<u>Activities</u>	<u>and Awards</u>			
Building and equipment					
leases and maintainance	\$ 64,066	\$ 0	\$ 0	\$ 0	\$ 64,066
Conferences, travel and					
meals	314,304	0	0	0	314,304
Contract labor	639,769	0	0	0	639,769
Equipment	17,344	0	0	0	17,344
Fundraising	62,539	0	0	0	62,539
Other	64,880	0	0	0	64,880
Printing and binding	34,516	0	193,664	54,456	282,636
Salaries	0	248,038	0	0	248,038
Scholarships	56,707	0	0	0	56,707
Special events supplies	0	0	0	57,581	57,581
Supplies and materials	165,595	0	0	0	165,595
	<u>\$ 1,419,720</u>	<u>\$ 248,038</u>	<u>\$ 193,664</u>	<u>\$ 112,037</u>	<u>\$1,973,459</u>

Functional expenses for the year ended June 30, 2006 are the following:

	<u>Program Services</u>		<u>General and</u>		<u>Total</u>
	<u>Educational</u>	<u>Scholarships</u>	<u>Administrative</u>	<u>Fundraising</u>	
	<u>Activities</u>	<u>and Awards</u>			
Building and equipment					
leases and maintainance	\$ 78,273	\$ 0	\$ 0	\$ 0	\$ 78,273
Conferences, travel and					
meals	407,836	0	0	0	407,836
Contract labor	236,966	0	0	0	236,966
Equipment	125,116	0	0	0	125,116
Fundraising supplies	0	0	0	80,743	80,743
Other	37,719	0	0	0	37,719
Printing and binding	66,869	0	219,850	71,500	358,219
Salaries	27,648	0	0	0	27,648
Scholarships	0	275,320	0	0	275,320
Supplies and materials	154,268	0	0	0	154,268
	<u>\$ 1,134,695</u>	<u>\$ 275,320</u>	<u>\$ 219,850</u>	<u>\$ 152,243</u>	<u>\$1,782,108</u>