



MIDLANDS
TECHNICAL COLLEGE
FOUNDATION

AUDITED FINANCIAL STATEMENTS

Year Ended June 30, 2017
With Independent Auditors' Report

Midlands Technical College Foundation, Inc.

Audited Financial Statements And Other Financial Information

Year Ended June 30, 2017

with

Independent Auditors' Report

Midlands Technical College Foundation, Inc.

Audited Financial Statements And Other Financial Information

Year Ended June 30, 2017

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THE BRITTINGHAM GROUP, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

501 STATE STREET

POST OFFICE BOX 5949

WEST COLUMBIA, SOUTH CAROLINA 29171

PHONE: (803) 739-3090

FAX: (803) 791-0834

INDEPENDENT AUDITORS' REPORT

Board of Directors
Midlands Technical College Foundation, Inc.
7300 College Street
Irmo, South Carolina 29063

We have audited the accompanying financial statements of Midlands Technical College Foundation, Inc. (the "Foundation"), a not-for-profit component unit of Midlands Technical College, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Midlands Technical College Foundation, Inc. as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Financial Information:

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Combining Schedule of Permanently Restricted, Temporarily Restricted and Unrestricted-Designated Funds on pages 17-20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Brittingham Group LLP

West Columbia, South Carolina
September 13, 2017

AUDITED FINANCIAL STATEMENTS

Midlands Technical College Foundation, Inc.

Statement of Financial Position

June 30, 2017

(With comparative amounts for June 30, 2016)

	June 30,	
	2017	2016
Assets		
Cash and cash equivalents	\$ 543,069	\$ 318,450
Contributions receivable, net	2,043,380	2,721,657
Other receivable	18,463	18,168
Investments	8,809,720	8,028,917
Total assets	<u>\$ 11,414,632</u>	<u>\$ 11,087,192</u>
Liabilities and Net Assets		
Accounts payable	\$ 34,404	\$ 52,892
Total liabilities	<u>34,404</u>	<u>52,892</u>
Net assets:		
Unrestricted - undesignated	1,191,398	1,432,829
Unrestricted - designated	634,038	613,554
Temporarily restricted	2,704,966	2,427,301
Permanently restricted	6,849,826	6,560,616
Total net assets	<u>11,380,228</u>	<u>11,034,300</u>
Total liabilities and net assets	<u>\$ 11,414,632</u>	<u>\$ 11,087,192</u>

See accompanying notes.

Midlands Technical College Foundation, Inc.

Statement of Activities

For Fiscal Year Ended June 30, 2017

(With comparative totals for June 30, 2016)

	Unrestricted		Temporarily Restricted		Permanently Restricted		Total	
	Undesignated	Designated	Restricted	Restricted	Restricted	Restricted	2017	2016
Revenues, gains, and other support:								
Contributions, net	\$ 134,691	\$ -	\$ 350,710	\$ 289,210	\$ 774,611	\$ 2,428,719		
Grant revenue	-	-	26,500	-	26,500	15,000		
Income on long-term investments	76,582	16,767	77,016	-	170,365	208,558		
Other investment income	644	-	-	-	644	706		
Net unrealized and realized gains on long-term investments	219,746	26,104	119,898	-	365,748	277,355		
Net assets released from restrictions:								
Satisfaction of program restrictions	307,853	(22,387)	(285,466)	-	-	-		
Expiration of time restrictions	10,993	-	(10,993)	-	-	-		
Total revenues, gains, and other support	<u>750,509</u>	<u>20,484</u>	<u>277,665</u>	<u>289,210</u>	<u>1,337,868</u>	<u>2,930,338</u>		
Expenses:								
Management and general	122,703	-	-	-	122,703	62,768		
College support	471,501	-	-	-	471,501	513,532		
Student support	230,527	-	-	-	230,527	331,791		
Fundraising support	167,209	-	-	-	167,209	260,610		
Total expenses	<u>991,940</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>991,940</u>	<u>1,168,701</u>		
Change in net assets	(241,431)	20,484	277,665	289,210	345,928	1,761,637		
Net assets at beginning of year	1,432,829	613,554	2,427,301	6,560,616	11,034,300	9,272,663		
Net assets at end of year	<u>\$ 1,191,398</u>	<u>\$ 634,038</u>	<u>\$ 2,704,966</u>	<u>\$ 6,849,826</u>	<u>\$ 11,380,228</u>	<u>\$ 11,034,300</u>		

See accompanying notes.

Midlands Technical College Foundation, Inc.

Statement of Functional Expenses

For Fiscal Year Ended June 30, 2017

(With comparative totals for June 30, 2016)

Account Description	Management and General		College Support		Student Support		Fundraising Support		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Administrative services	\$ 3,000	\$ 3,000	-	-	-	-	-	-	\$ 3,000	\$ 3,000
Alumni relations	17,288	-	-	-	-	-	-	-	17,288	1,474
Curriculum development	-	-	4,236	-	-	-	-	-	4,236	-
Dues and membership fees	6,163	-	-	-	-	-	-	-	6,163	173
Emergency support	-	-	-	-	11,440	-	-	-	11,440	13,811
Employee grants and scholarships	-	-	7,478	-	-	-	-	-	7,478	17,044
Foundation board meetings	6,887	-	-	-	-	-	-	-	6,887	3,212
In-kind gifts	-	-	13,261	-	-	-	-	-	13,261	151,433
Investment management	55,015	-	-	-	-	-	-	-	55,015	34,009
Legislative services	-	-	40,208	-	-	-	-	-	40,208	40,520
Liability insurance	2,138	-	-	-	-	-	-	-	2,138	2,138
Office and other supplies	6,000	-	64,032	-	-	-	2,540	-	72,572	62,129
Other	6,711	-	-	-	-	-	-	-	6,711	5,294
Other contractual services	13,127	-	99,003	-	-	-	162,826	-	274,956	279,349
Personnel services	-	-	136,222	-	-	-	-	-	136,222	121,031
Professional development	-	-	80,577	-	-	-	-	-	80,577	102,998
Promotional	-	-	9,557	-	-	-	1,843	-	11,400	7,052
Scholarships and grants	-	-	-	-	219,087	-	-	-	219,087	317,980
Service Excellence Awards	-	-	3,400	-	-	-	-	-	3,400	2,700
Social activities	-	-	3,304	-	-	-	-	-	3,304	2,370
Travel/training	6,374	-	10,223	-	-	-	-	-	16,597	984
Total functional expenses	\$ 122,703	\$ 471,501	\$ 471,501	\$ 230,527	\$ 167,209	\$ 991,940	\$ 1,168,701	\$ 1,168,701	\$ 991,940	\$ 1,168,701

See accompanying notes.

Midlands Technical College Foundation, Inc.

Statement of Cash Flows

For Fiscal Year Ended June 30, 2017

(With comparative totals for June 30, 2016)

	June 30,	
	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 345,928	\$ 1,761,637
Adjustments to reconcile change in net assets to net cash from operating activities:		
Net (gains) losses on investments	(365,748)	(277,355)
Contributions permanently restricted	(289,210)	(1,256,142)
Changes in operating assets and liabilities:		
Other receivable	(295)	(5,894)
Contributions receivable	678,277	(946,734)
Accounts payable	(18,488)	(41,920)
Net cash from operating activities	<u>350,464</u>	<u>(766,408)</u>
Cash flows from investing activities:		
Proceeds from sale and maturity of investments	5,236,538	2,250,722
Purchase of investments	(5,651,593)	(3,142,751)
Net cash from investing activities	<u>(415,055)</u>	<u>(892,029)</u>
Cash flows from financing activities:		
Proceeds from contributions restricted for:		
Investment in endowment	289,210	1,256,142
Net cash from financing activities	<u>289,210</u>	<u>1,256,142</u>
Net increase (decrease) in cash and cash equivalents	224,619	(402,295)
Cash and cash equivalents at beginning of year	318,450	720,745
Cash and cash equivalents at end of year	<u>\$ 543,069</u>	<u>\$ 318,450</u>
Supplemental disclosure of non-cash operating activities:		
In-kind contributions	<u>\$ 13,261</u>	<u>\$ 151,433</u>

See accompanying notes.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

1. General

Midlands Technical College Foundation, Inc. (the "Foundation") is a nonprofit organization that was formed August 12, 1970, to benefit and support education at Midlands Technical College (the "College").

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The Board of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests, is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the College, the Foundation is considered a component unit of the College.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statement presentation by the Foundation is in accordance with the accounting principles generally accepted in the United States of America for not-for-profit organizations as issued by the Financial Accounting Standards Board (FASB) through its Accounting Standards Codification (ASC). The guidance from FASB requires organizations like the Foundation to report information regarding its financial position and activities according to four classes of net assets as follows:

Unrestricted Undesignated - Unrestricted Undesignated Net Assets are not subject to donor-imposed restrictions or Foundation Board imposed stipulations.

Unrestricted Designated - Unrestricted Designated Net Assets are not subject to donor-imposed restrictions, but are subject to Foundation Board imposed stipulations.

Temporarily Restricted - Temporarily Restricted Net Assets are subject to donor-imposed stipulations that will be met by actions of the Foundation and/or passage of time.

Permanently Restricted - Permanently Restricted Net Assets are subject to donor-imposed stipulations that require them to be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

2. Summary of Significant Accounting Policies (Continued)

Investments - Investments in marketable securities with readily determinable fair market values and all investments in debt securities are valued at their fair values in the statement of financial position. Investment in real estate is reported at the lower of cost or market. Investment income or loss (including gains and losses on investments, interest, and dividends) is included in the statement of activities as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or law. Securities or other investments donated are recorded at their market value at the date of the gift.

Investment Objectives

The Foundation's investment objectives are to achieve adequate growth in financial assets and income to meet its spending policy without exposure to undue risk:

- A. Estimating anticipated financial needs of the Foundation;
- B. Articulate the Finance Committee members' views of the Foundation's investment objectives and tolerance for risk;
- C. Formulate policies to assist the Finance Committee with, first, developing a suitable asset allocation; second, selecting appropriate investment managers within the framework of that asset allocation; and third, prudently monitoring and evaluating the performance of such managers;
- D. Documenting and communicating standards and expectations as identified by the Finance Committee to the investment manager;
- E. Investment Allocation: the Foundation uses the following guidelines for asset allocations:

<u>Asset Allocation Guidelines</u>	<u>Minimum %</u>	<u>Maximum %</u>
Cash and Cash Equivalents	1%	5%
Fixed Income	25%	40%
Equities	55%	75%

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

2. Summary of Significant Accounting Policies (Continued)

Endowments - In receiving gifts qualifying for the Foundation's definition of endowment funds, the Board of Trustees of Midlands Technical College Foundation interprets the South Carolina Uniform Prudent Management of Institutional Funds Acts ("SCUPMIFA" or "state law") as requiring the Foundation to preserve the original fair value amount donated, in the absence of donor spending or preservation intentions. As a result of this interpretation, the Foundation classifies as permanently restricted net assets the value of the original and subsequent donor gifts qualifying as endowments.

If the gift instruments requires all or a portion of the endowment related earnings accumulations to be preserved rather than spent, they are classified as permanently restricted. Earnings accumulations without such donor-imposed restrictions are classified as temporarily restricted until appropriated for expenditure.

The Foundation, in accordance with SCUPMIFA, considers the following factors in deciding whether to accumulate or spend donor endowment funds earnings accumulations:

1. The duration and preservation of the endowment fund.
2. The purposes of the Foundation and donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the organization.
7. The investment policy of Midlands Technical College Foundation.

The Foundation's spending policy is divided into the following areas:

1. **Annual Operating Funds:** The Foundation adopts an annual operating budget in accordance with policy. The operating budget will generally include expenditures that support the Foundation and college activities. Also included in the annual operating budget are revenue sources such as investment income, donations and specialized fund-raising activities. Additionally, should the Foundation decide to expend investment appreciation or investment corpus, it will be included in the budget.
2. **Annual Designated Funds:** Annual designated funds have expenditures that are generally restricted, such as scholarships. These expenditures are included in the annual budget and are identified as restricted funds.
3. **Annual Undesignated Funds:** Undesignated funds are those unplanned donations acquired by the Foundation.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

2. **Summary of Significant Accounting Policies (Continued)**

Revenue, Gains and Other Support and Expenses and Losses - Revenues are reported as increases in the unrestricted net assets classification unless use of the related assets is limited by donor-imposed restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. Increases in the allowance for uncollectible pledges are netted against contribution income.

Expenses are reported as decreases in unrestricted undesignated or unrestricted designated net assets as appropriate. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted undesignated or unrestricted designated net assets unless their use is restricted by explicit donor stipulation or by law.

Donated Services, Goods, and Facilities - A substantial number of volunteers have donated an undetermined number of hours to the Foundation's program services and fund-raising campaigns during the year; however, these donated services are not reflected in the financial statements since the services do not require specialized skills.

During the year ended June 30, 2017, the Foundation received in-kind contributions valued at approximately \$13,261. Substantially, all contributions of equipment to the Foundation become property of the College upon receipt of the property from the donor. Accordingly, the Foundation records the contributions at their fair value with an offset to college support in these financial statements.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts 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.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash held in checking and money market accounts with maturities of less than 90 days. Management believes the Foundation is not exposed to any significant credit risk on cash or cash equivalents.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

2. Summary of Significant Accounting Policies (Continued)

Concentrations of Credit and Market Risk - Financial instruments that potentially expose the Foundation to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash equivalents are maintained at high-quality financial institutions and credit exposure is not limited to any one institution. The Foundation has not experienced any losses on its cash equivalents. Management believes that the Foundation's investment portfolio is adequately diversified among issuers. In addition, management believes that the Foundation has the ability to hold its investment portfolio during periods of temporary market declines.

Income Taxes

Midlands Technical College Foundation, Inc. has received a determination letter from the Internal Revenue Service that it is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "IRC"). However, it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). The tax years ending June 30, 2017, 2016, 2015, and 2014 are still open to audit for both federal and state purposes. The Foundation is not classified as a private foundation.

Prior-year Comparative Totals – The financial statements include certain prior-year summarized comparative information to facilitate financial analysis. 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 Foundation's financial statements for the year ended June 30, 2016, from which the summarized information was derived.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

3. Investments

The following summarizes the cost and fair values of investments at June 30, 2017:

	<u>Cost</u>	<u>Fair Value</u>
Marketable Securities		
Invested - Money Market Funds	\$ 950,960	\$ 950,960
Fixed Income	2,764,799	2,753,294
Equities	4,526,726	4,926,826
Mutual Funds	160,598	173,640
Total Marketable Securities	<u>8,403,083</u>	<u>8,804,720</u>
Real Estate	5,000	5,000
Total Investments	<u>\$ 8,408,083</u>	<u>\$ 8,809,720</u>

4. Fair Value

Information about the fair value of financial instruments for which it is practical to estimate that value, whether or not recognized in the Statement of Financial Position, is required to be disclosed. Fair value is determined using various methods and assumptions.

The following methods and assumptions were used to estimate the fair value for the classification within the financial statements:

- *Investments in marketable securities* – fair value is approximated by the balance reported by the custodian based on market values of the investment assets.
- *Contributions receivable* - The fair value of promises to give that are due in one year or more is estimated by discounting the estimated future cash flows using an estimate of the Foundation's earnings rate.

When quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases could not be realized in immediate settlement of the instrument.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

4. Fair Value (Continued)

The following levels of input for measurement of fair value have been defined to assist the user in evaluating the fair value disclosure information:

Level 1	Quoted prices in an active market for identical assets or liabilities.
Level 2	Other quoted prices in active markets for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that are not active for transactions or availability of information, other observable sources of information, and information derived principally from or corroborated from observable sources of information.
Level 3	Unobservable sources of information, primarily management's assumptions about potential market participants.

The estimated fair values of the Foundation's financial instruments are as follows and are included in the statement of financial position under similar descriptions:

	<u>Level</u>	<u>Carrying Value</u>	<u>Fair Value</u>
Investments in Marketable Securities	1	\$ 8,804,720	\$ 8,804,720
Contributions Receivable	3	\$ 2,043,380	\$ 2,043,380

The Foundation recognized a decrease in the amount of \$678,277 in level 3 due to the decrease in contributions receivable during the year.

Certain financial instruments and all nonfinancial instruments are excluded from the fair value disclosure requirements. Accordingly, the aggregate fair value amounts presented do not necessarily represent the value of the Foundation.

The Foundation recognized \$100,982 in unrealized gains resulting from changes in fair value during the period.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

5. Contributions Receivable

Unconditional promises to give as of June 30, 2017 are due as follows:

Within one year	\$ 946,084
One to five years	<u>1,252,676</u>
Total	2,198,760
Allowance for uncollectible pledges	(10,993)
Present value discount	<u>(144,387)</u>
Contributions receivable, net	<u>\$ 2,043,380</u>

The discount to net present value was calculated using the estimated earnings rate of 3.94% as of June 30, 2017.

6. Temporarily Restricted Net Assets

At June 30, 2017, temporarily restricted net assets are available for the following specific program services:

Periods after June 30, 2017	\$ 43,394
Specific programs	<u>2,661,572</u>
	<u>\$ 2,704,966</u>

During the year, temporarily restricted net assets were released for satisfaction of the following restrictions:

Total program restrictions released	<u>\$ 285,466</u>
Time restrictions released	<u>\$ 10,993</u>

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

7. Related Party Transactions

The Foundation exists to provide support of educational programs at Midlands Technical College. All of the Foundation’s expenditures are for the operation of the Foundation, scholarships for Midlands Technical College students, or other support of Midlands Technical College. Midlands Technical College provides office space and support services to the Foundation at no cost. Total payments to the College for items such as salary supplements, legislative support, travel and other costs totaled \$471,501 during the 2017 fiscal year. Total payments to the College for items such as scholarships and grants, and other support for the students totaled \$230,527 during the 2017 fiscal year. Additionally, the Foundation paid the College a total of \$3,000 for administrative services during the year.

8. Classification of Endowment Funds

The Foundation’s endowment funds consist of the following at June 30, 2017:

	Unrestricted Endowments	Temporary Endowments	Permanent Endowments	Total Endowments	Funds Not Meeting The Definition	Total Reported Net Assets
Donor Restricted	\$ -	\$ 1,151,887	\$ 6,849,826	\$ 8,001,713	\$ 2,744,477	\$ 10,746,190
Board Designated	634,038	-	-	634,038	-	634,038
Total	\$ 634,038	\$ 1,151,887	\$ 6,849,826	\$ 8,635,751	\$ 2,744,477	\$ 11,380,228

From time to time, fair market value assets associated with individual donor-restricted endowment funds may fall below the level stipulated by the donor or required by state law to be retained as a fund of perpetual duration.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Classification of Endowment Funds (Continued)

The following table presents changes to the Foundation's endowment funds for the year ended June 30, 2017:

	<u>Unrestricted Endowments</u>	<u>Temporary Endowments</u>	<u>Permanent Endowments</u>	<u>Total Endowments</u>
Endowments at June 30, 2016	<u>\$ 613,554</u>	<u>\$ 1,033,607</u>	<u>\$ 6,553,779</u>	<u>\$ 8,200,940</u>
Reclassification by management	-	-	6,837	6,837
Investment Returns	16,767	77,016	-	93,783
Market Gains	<u>26,104</u>	<u>119,898</u>	-	<u>146,002</u>
Net Earnings	42,871	196,914	6,837	246,622
Contributions	-	-	289,210	289,210
Appropriated for expenditures	<u>(22,387)</u>	<u>(78,634)</u>	-	<u>(101,021)</u>
Endowments at June 30, 2017	<u><u>\$ 634,038</u></u>	<u><u>\$ 1,151,887</u></u>	<u><u>\$ 6,849,826</u></u>	<u><u>\$ 8,635,751</u></u>

During the year ended June 30, 2017, management reclassified certain net assets for UPMIFA reporting purposes only. These reclassifications resulted in a net increase in UPMIFA net assets of \$6,837 as noted above.

9. Subsequent events

Subsequent events were evaluated through September 13, 2017, which is the date the financial statements were available for issue.

OTHER FINANCIAL INFORMATION

Midlands Technical College Foundation, Inc.

Combining Schedule of Permanently Restricted, Temporarily Restricted and Unrestricted Designated Funds

as of June 30, 2017

(with comparative amounts at June 30, 2016)

	Permanently Restricted	Temporarily Restricted	Unrestricted Designated	2017 Total	2016 Total
Accounting Program Support	\$ -	\$ 684	\$ -	\$ 684	\$ 205
ADN Alumni Scholarship	-	95	-	95	95
ADN Program Support	-	4,655	-	4,655	4,524
African American Male Leadership Institute	-	12,560	-	12,560	12,389
AITP Scholarship Endowment	10,322	2,504	-	12,826	12,772
Albin Johnson Memorial Endowment	126,857	53,587	-	180,444	173,637
Allied Dental Program	-	25	-	25	25
Alumni Association Endowment	30,555	1,420	-	31,975	30,173
Alvin J. & Shanita T. D'Angelo Grant Fund	-	5,000	-	5,000	-
Ambassador Assembly Support Fund	-	1,218	-	1,218	1,342
Area Hospitals Endowment	814,193	469,669	-	1,283,862	1,247,576
Arts & Sciences Endowment	9,844	1,899	-	11,743	11,715
Auto Equipment	-	25,807	-	25,807	23,736
Bank of America QuickJobs	-	13,105	-	13,105	-
Bank of America Veterans QuickJobs Fund	-	60,356	-	60,356	-
Barbara & Lester Reed Development Endowment	13,659	10,041	-	23,700	22,967
Beatrice Lindau Endowment	30,803	9,941	-	40,744	39,653
BFS Automotive Support	-	15,625	-	15,625	15,625
Bill Hayes Memorial Endowment	10,960	2,898	-	13,858	13,769
Bill Lind Memorial	-	3,626	-	3,626	3,626
Bill Lind Scholarship Endowment	28,555	8,754	-	37,309	34,770
Blair Park Rivers QuickJobs Scholarship	-	1,267	-	1,267	1,172
BN Life Skills Center Endowment Fund	712,500	50,704	-	763,204	747,910
BN QuickJobs Endowment Fund	712,500	40,554	-	753,054	747,910
Bridging the Gap Endowed Grant Fund	111,269	-	-	111,269	-
Bridging the Gap Scholarship Fund	-	18,693	-	18,693	27,299
Burkett Burkett & Burkett, CPA, P.A. Endowed Scholarship	26,250	6,019	-	32,269	31,437
Burroughs-Wyman Endowment	12,633	2,745	-	15,378	15,300
Burt Friday Scholarship	-	10	-	10	10
Call Me Mister Program Support Endowment	11,698	5,142	-	16,840	16,212
Carl Hammond Memorial Scholarship	-	950	-	950	-
Carpentry Framing	-	19,752	-	19,752	18,745
Carr Family Scholarship Endowment	8,333	1,944	-	10,277	8,297
Cayce-West Columbia Rotary Club Don H. Morris Scholarship	-	540	-	540	255
Charles Palmer Communities in Schools Endowment	44,685	25,656	-	70,341	67,943
Christine Hipp Endowment	14,105	3,509	-	17,614	17,657
Christopher Conner QuickJob Scholarship Fund	-	1,928	-	1,928	1,928
Clinical Board Program	-	30,280	-	30,280	30,462
Col. Pete Sercer Irmo High School AFJROTC Scholarship	-	3,914	-	3,914	3,485
Colonial Life IT QuickJobs Program Fund	-	3,982	-	3,982	-
Commercial Graphics Department	-	22,247	-	22,247	18,769
Continuing Education Support Program	-	23,857	-	23,857	23,857
Corrine P. Rogers Scholarship Fund	-	1,754	-	1,754	-
Coursepower (Applied Computing Minor/Certificate) Scholarship	-	1,425	-	1,425	1,425
D.L. Scurry Foundation Endowment	90,318	19,111	-	109,429	108,386
Darcel & Candacy Sanders Scholarship	-	1,967	-	1,967	1,967
Dental Support	-	42,862	-	42,862	41,734
Dental Support - Nitros	-	3,847	-	3,847	-
Derrick Family Endowment Scholarship	10,275	3,991	-	14,266	13,715
Developmental Studies Loan	-	4,936	-	4,936	5,018
Division Support	-	-	-	-	9
Division Support - Library	-	4,371	-	4,371	-
Division Support - Math Meet	-	993	-	993	-
Dixon Durham & Julia Durham Miller	-	9,518	-	9,518	9,518
Dogs Offering Military Support Fund (DOMS)	-	41,499	-	41,499	31,600
Dorothy Smith Endowment Scholarship	30,664	5,478	-	36,142	35,899

Midlands Technical College Foundation, Inc.

Combining Schedule of Permanently Restricted, Temporarily Restricted and Unrestricted Designated Funds

as of June 30, 2017

(with comparative amounts at June 30, 2016)

	Permanently Restricted	Temporarily Restricted	Unrestricted Designated	2017 Total	2016 Total
Dr. James R. Morris, Jr. Leadership Development Endowment Fund	23,750	-	-	23,750	-
Dunbar-Tompkins Distinguished Lecturer Endowment	15,728	4,514	-	20,242	19,898
Early Childhood Development	-	12	-	12	12
Engineering Equipment	-	1,659	-	1,659	1,659
Engineering Technology Endowment	19,559	5,745	-	25,304	24,254
English Department Bonner Endowment Fund	18,709	3,589	-	22,298	21,116
Equipment	-	3,168	-	3,168	3,111
Ernest F. Hollings Endowment Scholarship	64,926	-	19,013	83,939	82,955
Ernie Dennison Memorial Scholarship Endowed Fund	28,778	12,205	-	40,983	41,189
Eunice Primus-Robinson Endowment Scholarship	16,475	2,671	-	19,146	13,288
Excellence in Technology Endowment	309,014	-	167,656	476,670	460,087
Faculty and Staff Development Endowment Fund	28,482	22,662	-	51,144	50,023
Faculty and Staff Endowment Scholarship	37,488	3,557	-	41,045	26,790
Faculty Council	-	2,682	-	2,682	2,682
Fairfield Electric Cooperative Scholarship	-	1,900	-	1,900	1,500
Ford Addison Weeks Memorial Nursing Endowment	141,606	38,471	-	180,077	179,178
Friends of the College Dinner Endowment	48,317	-	18,396	66,713	75,106
Fund the Gap Endowment Fund	475	-	-	475	-
Gene Haas QuickJobs Scholarship	-	40,670	-	40,670	30,000
General Scholarship Endowment	95,493	14,638	-	110,131	101,896
George Wooldridge Scholarship Endowment	15,100	3,305	-	18,405	18,243
Greater Columbia Dental Association Endowment	24,107	6,797	-	30,904	30,902
Harbison Theatre Endowment Program Fund	3,562	-	-	3,562	-
Harbison Theatre Support	-	84,003	-	84,003	59,569
Harriet Gardin Fields Fund for Needy Students	-	1,663	-	1,663	2,335
Health Information Technology Program Support	-	50	-	50	50
Henry A. & Pauline H. Goodall Scholarship Endowment	27,849	7,104	-	34,953	34,258
Human Services Support	-	1,395	-	1,395	1,395
Humanities Department Studio Arts Scholarship	-	574	-	574	455
HVAC Endowment	16,350	6,337	-	22,687	21,787
HVAC High School Program	-	2,561	-	2,561	2,561
HVAC Program Support	-	11,700	-	11,700	11,700
Industrial Division Student Needs	-	3,132	-	3,132	3,132
Industrial Technology Equipment	-	1,109	-	1,109	2,913
Infiltration Anesthesia	-	940	-	940	940
International Paper QuickJobs Funds	-	5,036	-	5,036	-
IST Endowed Program Fund	26,600	-	-	26,600	-
IST Program Support	-	25	-	25	25
Jake Salley Endowment	8,707	3,391	-	12,098	12,131
James L. Hudgins Scholarship Endowment	35,004	7,129	-	42,133	41,515
Janice and Bob Broom Success Scholarship	-	-	-	-	95
Jimmy Jones Scholarship	-	33,424	-	33,424	25,996
John Courson Endowment	12,818	2,991	-	15,809	15,821
Joseph Mallini Paralegal Program Endowment	12,085	3,199	-	15,284	15,336
Judith Litman Lindau Scholarship Endowment	53,366	14,603	-	67,969	67,605
Jules W. Lindau Memorial Engineering Endowment	36,366	10,853	-	47,219	46,768
Kirby Able Scholarship Endowment	17,561	4,519	-	22,080	22,137
Lasenta Lewis-Ellis Scholarship Fund	-	5,700	-	5,700	-
Lloyd A. Harris Endowment	10,431	3,461	-	13,892	13,333
Louise Frye Memorial Health Science Scholarship	-	475	-	475	475
Machine Tool Technician	-	6,535	-	6,535	6,535
Management & Marketing Program Support	-	609	-	609	609
Margaret Kelly Cubbon Endowed Scholarship Fund	25,682	5,012	-	30,694	29,316
Maria Marchant Endowment	10,200	2,717	-	12,917	12,869
Marion & Rachel Knox Endowment	72,591	13,622	-	86,213	85,587
Mark Wildermuth T-Com Memorial Scholarship Endowment	16,293	3,986	-	20,279	20,093

Midlands Technical College Foundation, Inc.

Combining Schedule of Permanently Restricted, Temporarily Restricted and Unrestricted Designated Funds

as of June 30, 2017

(with comparative amounts at June 30, 2016)

	Permanently Restricted	Temporarily Restricted	Unrestricted Designated	2017 Total	2016 Total
Marshall (Sonny) White Endowed Fund for Excellence	52,608	10,473	-	63,081	55,742
Mary Leitner Memorial Endowed Scholarship	8,352	3,432	-	11,784	11,336
Maxie S. Gordon, Sr. Memorial Endowment Scholarship	11,974	3,501	-	15,475	15,332
Michael Parks Airs Scholarship Fund	-	3,606	-	3,606	5,106
Midlands Human Resource Association Scholarship	-	1,012	-	1,012	1,512
Mot & Malcolm Little Scholarship	-	23,605	-	23,605	15,927
MTC Cares Faculty Service-Learning Award	-	5,348	-	5,348	5,348
MTC Center for Entrepreneurial Success Program Fund	-	190	-	190	-
MTC Emergency Fund for Youth in Transition	-	13,450	-	13,450	12,500
MTC Life Skills Center Fund	-	31,002	-	31,002	30,603
MTC Retiree Scholarship	-	988	-	988	966
MTC Student Veterans Operating Fund	-	-	-	-	11,130
Nicole Goin Service Learning Scholarship	-	210	-	210	210
Nursing & Health Science Endowment	59,200	54,531	-	113,731	115,144
Office Systems Technology Scholarship	-	443	-	443	295
Operation Santa Claus Support	-	-	-	-	1,931
Palmer College Corporation	-	141,176	-	141,176	141,176
Palmetto PC Club Scholarship	-	6,550	-	6,550	7,550
Patricia Mogel Coogler Dental Sciences Endowed Scholarship	55,123	2,550	-	57,673	47,828
Paul B. Vann Memorial Nursing Endowment Scholarship	13,157	2,685	-	15,842	15,886
Paul J. Boan Art Education Scholarship	-	168	-	168	418
Permanently Restricted	54,372	1,759	-	56,131	30,753
Physical Therapist Assistant Program	-	2,908	-	2,908	2,953
President's Excellence Endowment	39,549	1,983	-	41,532	37,349
QuickJobs Scholarship	-	147,976	-	147,976	245,463
Radiologic Technician Mentorship Program	-	8,247	-	8,247	8,747
Ralph D. Levine Scholarship Endowment	14,366	4,958	-	19,324	18,553
Respiratory Care - Camp Catch Your Breath	-	770	-	770	367
Respiratory Care Support	-	1,868	-	1,868	2,264
Respiratory Therapy Loan	-	2,350	-	2,350	2,350
Restricted	-	4,495	-	4,495	7,049
Richard Craig Pitts Memorial Scholarship	-	660	-	660	232
Richard T. Boan Endowment for Excellence in Health Sciences	10,661	871	-	11,532	4,487
Richard W. Riley Endowment	79,741	-	20,421	100,162	99,433
River's Kids (Art, Clark, Blair & Grier) Scholarship	-	4,650	-	4,650	900
Robert C. Hughes Endowment Scholarship	14,593	5,108	-	19,701	18,383
Robert E. McNair Development Endowment	122,999	-	37,744	160,743	156,142
Ronnie Scott Memorial Endowment	24,985	7,455	-	32,440	32,140
Rosi Mary McLeod Human Services Scholarship Endowment	17,213	3,708	-	20,921	20,183
Sarah Rhames Book Fund for Business Students Endowment	47,532	7,414	-	54,946	46,263
SC Physician's Care Charity Fund	-	320	-	320	320
SC Society of Medical Assistants	-	1,150	-	1,150	184
SC State Fair Endowment	13,906	3,772	-	17,678	16,932
SCE&G Nuclear Systems Technology	-	472,851	-	472,851	417,851
Schneider Electric/Square D Endowment	59,321	23,361	-	82,682	79,499
SCT Professional Development	-	5,837	-	5,837	5,837
Semih Ulgen Scholarship Endowment	10,406	2,657	-	13,063	13,104
Senior Nursing Student Assistance	-	1,058	-	1,058	1,058
Shirley M. Knox Endowment	63,190	15,165	-	78,355	78,564
Shirley Weeks Development	-	-	-	-	3,514
Sisters of Charity	-	212	-	212	212
Solomon Jackson, Jr. QuickJobs & Technical Ed. Endowment Fund	1,187,500	15,932	-	1,203,432	1,187,500
Spencer T. Jones Memorial Scholarship Fund	-	1,550	-	1,550	2,000
Steven L. Ball Memorial Scholarship Endowment	16,415	3,706	-	20,121	20,041
Strom Thurmond Endowment	76,931	-	22,321	99,252	98,124
Student Success Endowment	71,156	-	34,984	106,140	102,075

Midlands Technical College Foundation, Inc.
**Combining Schedule of Permanently Restricted, Temporarily
 Restricted and Unrestricted Designated Funds**
as of June 30, 2017

(with comparative amounts at June 30, 2016)

	Permanently Restricted	Temporarily Restricted	Unrestricted Designated	2017 Total	2016 Total
Surgical Technician Program	-	3,215	-	3,215	2,987
Teaching Excellence Endowment	26,538	-	14,020	40,558	39,134
Temporary Restricted	-	37,140	-	37,140	9,655
Unrestricted Endowment	-	-	299,483	299,483	299,384
Virgil C. and Vera B. Summer Endowment Scholarship	17,024	3,159	-	20,183	20,168
Water Environment Association of SC Legacy of Learning	-	1,575	-	1,575	2,075
Welding Program Support Fund	-	10,749	-	10,749	6,434
Wells Fargo QuickJobs	-	23,377	-	23,377	-
Wells Fargo Scholarship Endowment	10,298	2,402	-	12,700	12,645
Wilkins Family Endowed Scholarship	52,250	1,275	-	53,525	23,750
William C. Goodwin IV Memorial Endowment	9,016	3,586	-	12,602	12,119
William Jerry Wood Life Skills Center Endowment	475,000	33,803	-	508,803	498,606
Total	\$ 6,849,826	\$ 2,704,966	\$ 634,038	\$ 10,188,830	\$ 9,601,471

