



MIDLANDS  
TECHNICAL COLLEGE  
FOUNDATION

# AUDITED FINANCIAL STATEMENTS

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Year Ended June 30, 2022

With Independent Auditors' Report

# **Midlands Technical College Foundation, Inc.**

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## **Audited Financial Statements And Other Financial Information**

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Year Ended June 30, 2022

with

Independent Auditors' Report

# Midlands Technical College Foundation, Inc.

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## Audited Financial Statements And Other Financial Information

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Year Ended June 30, 2022

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## INDEPENDENT AUDITORS' REPORT

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

### ***Opinion***

We have audited the accompanying financial statements of Midlands Technical College Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2022, 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.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

#### ***Report on Summarized Comparative Information***

We have previously audited the Foundation's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 21, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### ***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 Net Assets With Donor Restrictions and Without Donor Restrictions – Designated Funds on pages 19-22 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 20, 2022

# AUDITED FINANCIAL STATEMENTS

# Midlands Technical College Foundation, Inc.

## Statement of Financial Position

June 30, 2022

(With comparative amounts for June 30, 2021)

	<u>June 30,</u> <u>2022</u>	<u>June 30,</u> <u>2021</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 630,509	\$ 178,095
Contributions receivable, net	133,766	248,378
Other receivable	26,942	32,409
Investments	14,297,516	15,253,025
Total assets	<u>\$ 15,088,733</u>	<u>\$ 15,711,907</u>
 <b>Liabilities and Net Assets</b>		
Accounts payable	<u>\$ 176,675</u>	<u>\$ 55,535</u>
Total liabilities	<u>176,675</u>	<u>55,535</u>
 Net assets:		
Without donor restrictions	821,078	1,371,224
With donor restrictions	<u>14,090,980</u>	<u>14,285,148</u>
Total net assets	<u>14,912,058</u>	<u>15,656,372</u>
Total liabilities and net assets	<u>\$ 15,088,733</u>	<u>\$ 15,711,907</u>

# Midlands Technical College Foundation, Inc.

## Statement of Activities

For Fiscal Year Ended June 30, 2022

(With comparative totals for June 30, 2021)

	Without donor restrictions	With donor restrictions	Total 2022	Total 2021
<b>Revenues, gains, and other support:</b>				
Contributions, net	\$ 330,104	\$ 1,607,298	\$ 1,937,402	\$ 1,623,911
Grant revenue	-	12,225	12,225	32,500
Income on long-term investments	73,771	266,937	340,708	263,504
Other investment income	524	-	524	562
Net unrealized and realized gains (losses) on long-term investments	(364,412)	(1,272,078)	(1,636,490)	2,356,600
Net assets released from restrictions	808,550	(808,550)	-	-
Total revenues, gains, and other support	848,537	(194,168)	654,369	4,277,077
<b>Expenses:</b>				
College support	657,831	-	657,831	404,998
Student support	449,247	-	449,247	466,538
Management and general	137,672	-	137,672	119,076
Fund raising support	153,933	-	153,933	131,220
Total expenses	1,398,683	-	1,398,683	1,121,832
Change in net assets	(550,146)	(194,168)	(744,314)	3,155,245
Net assets at beginning of year, as restated	1,371,224	14,285,148	15,656,372	12,501,127
Net assets at end of year	\$ 821,078	\$ 14,090,980	\$ 14,912,058	\$ 15,656,372

See accompanying notes.



# Midlands Technical College Foundation, Inc.

## Statement of Functional Expenses

For Fiscal Year Ended June 30, 2022

(With comparative totals for June 30, 2021)

Account Description	Program Services					June 2021
	College Support	Student Support	Management and General	Fundraising Support	June 2022	
Administrative services	\$ -	\$ -	\$ 3,000	\$ -	\$ 3,000	\$ 3,000
Alumni relations	665	-	-	-	665	12,619
Curriculum development	21,784	-	-	-	21,784	21,655
Dues and membership fees	-	-	5,167	-	5,167	4,228
Emergency support	-	902	-	-	902	39,302
Employee grants and scholarships	6,984	-	-	-	6,984	9,456
Foundation board meetings	-	-	150	-	150	750
In-kind gifts	151,182	-	-	-	151,182	17,339
Investment management	-	-	98,708	-	98,708	81,532
Legislative services	59,520	-	-	-	59,520	59,936
Liability insurance	-	-	2,138	-	2,138	2,138
Office and other supplies	24,332	-	10,762	51	35,145	5,384
Other	-	-	4,815	-	4,815	4,674
Other contractual services	141,700	-	12,121	32,173	185,994	120,577
Personnel services	172,536	-	-	121,658	294,194	290,670
Professional development	64,105	-	-	-	64,105	2,687
Promotional	10,000	-	-	51	10,051	14,814
Scholarships and grants	-	448,345	-	-	448,345	427,236
Service Excellence Awards	3,200	-	-	-	3,200	3,200
Social activities	1,823	-	-	-	1,823	-
Travel/training	-	-	811	-	811	635
<b>Total functional expenses</b>	<b>\$ 657,831</b>	<b>\$ 449,247</b>	<b>\$ 137,672</b>	<b>\$ 153,933</b>	<b>\$ 1,398,683</b>	<b>\$ 1,121,832</b>

See accompanying notes.

# Midlands Technical College Foundation, Inc.

## Statement of Cash Flows

For Fiscal Year Ended June 30, 2022

(With comparative totals for June 30, 2021)

	June 30,	
	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (744,314)	\$ 3,155,245
Adjustments to reconcile change in net assets to net cash from operating activities:		
Net (gains) losses on investments	1,636,490	(2,356,600)
Contributions permanently restricted	(821,530)	(615,910)
Changes in operating assets and liabilities:		
Other receivable	(5,467)	(144)
Contributions receivable	114,612	2,462
Accounts payable	121,140	(67,153)
Net cash from operating activities	<u>300,931</u>	<u>117,900</u>
<b>Cash flows from investing activities:</b>		
Proceeds from sale and maturity of investments	4,292,497	2,707,993
Purchase of investments	(4,962,544)	(3,500,254)
Net cash from investing activities	<u>(670,047)</u>	<u>(792,261)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from contributions restricted for:		
Investment in endowment	821,530	615,910
Net cash from financing activities	<u>821,530</u>	<u>615,910</u>
Net increase (decrease) in cash and cash equivalents	452,414	(58,451)
Cash and cash equivalents at beginning of year	178,095	236,546
Cash and cash equivalents at end of year	<u>\$ 630,509</u>	<u>\$ 178,095</u>
Supplemental disclosure of non-cash operating activities:		
In-kind contributions	<u>\$ 151,182</u>	<u>\$ 17,339</u>

See accompanying notes.

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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 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 the Foundation to report information regarding its financial position and activities according to two classes of net assets as follows:

***Without donor restrictions*** - net assets that are not subject to or are no longer subject to donor-imposed stipulations.

***With donor restrictions:***

***Restricted by purpose or time*** - net assets that are subject to donor-imposed stipulations that will be met by actions of the Foundation and/or passage of time.

***Restricted in perpetuity*** - net assets that 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. An 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%	10%
Fixed Income	15%	58%
Equities and Mutual Funds	40%	70%
Real Assets	1%	10%
Hedge Fund Strategies	1%	10%

**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 net assets restricted in perpetuity the value of the original and subsequent donor gifts qualifying as endowments.

If the gift instruments require 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 net assets restricted by purpose or time 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 net assets classification without donor restriction 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 without donor restriction support. Increases in the allowance for uncollectible pledges are netted against contribution income.

Expenses are reported as decreases in the without donor restrictions net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in without donor restriction 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, 2022, the Foundation received in-kind contributions valued at \$151,182. 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, 2022, 2021, 2020, and 2019 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, 2021, 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, 2022:

	Cost	Fair Value
Marketable Securities		
Invested - Money Market Funds	\$ 856,546	\$ 856,546
Fixed Income	3,499,636	3,255,506
Equities	5,611,486	6,225,116
Mutual Funds	2,337,604	2,806,793
Alternative Investments	1,091,974	1,148,555
Total Marketable Securities	13,397,246	14,292,516
 Real Estate	 5,000	 5,000
Total Investments	\$ 13,402,246	\$ 14,297,516

**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			
Money Market Funds	1	\$ 856,546	\$ 856,546
Fixed Income	2	\$ 3,255,506	\$ 3,255,506
Equities	1	\$ 6,225,116	\$ 6,225,116
Mutual Funds	1	\$ 2,806,793	\$ 2,806,793
Alternative Investments	1	\$ 1,148,555	\$ 1,148,555
Contributions Receivable	3	\$ 133,766	\$ 133,766

The Foundation recognized a decrease in the amount of \$114,612 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 \$1,987,766 in unrealized losses 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, 2022 are due as follows:

Within one year	\$	59,377
One to five years		89,039
Total		<u>148,416</u>
Allowance for uncollectible pledges		(1,900)
Present value discount		<u>(12,750)</u>
Contributions receivable, net	\$	<u>133,766</u>

The discount to net present value was calculated using the estimated earnings rate of 4.90% as of June 30, 2022.

**6. 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. Additionally, the Foundation paid the College a total of \$3,000 for administrative services during the year.

**MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

— CONTINUED —

**7. Restrictions/Limitations on Net Assets**

The Foundation’s Board of Trustees has chosen to place the following limitations on net assets without donor restrictions:

Designated for equipment, other programs or general use	\$ 357,324
Total board designated net assets	\$ 357,324

Donor restricted net assets:

	Restricted for Purpose or Time	Restricted in Perpetuity	Total Net Assets With Donor Restrictions
Endowment scholarships	\$ (450,911)	\$ 6,796,773	\$ 6,345,862
Endowment programs	(66,024)	3,358,943	3,292,919
Endowment equipment and other programs	(82,104)	1,804,645	1,722,541
General scholarships	868,769	-	868,769
General programs	635,573	-	635,573
General equipment and other programs	1,225,316	-	1,225,316
Endowment net assets, June 30, 2022	\$ 2,130,619	\$ 11,960,361	\$ 14,090,980

Net assets restricted in perpetuity consist of endowment fund assets to be held indefinitely. The income from the assets can be used to support the Foundation’s endowment related activities.

Funds with deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SCUPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in net assets with donor restrictions were \$866,799 as of June 30, 2022. These deficiencies resulted from unfavorable market fluctuations and continued appropriations for certain programs.

**MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

— CONTINUED —

**7. Restrictions/Limitations on Net Assets (Continued)**

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

Time restrictions released	
Non-endowed equipment and other programs	\$ 4,901
Total time restrictions released	4,901
Purpose restrictions released	
Non-endowed scholarships	505,762
Non-endowed programs	142,909
Non-endowed equipment and other programs	17,006
Endowment scholarships	10,840
Endowment programs	87,371
Endowed equipment and other programs	39,761
Total purpose restrictions released	803,649
Total time and purpose restrictions released	\$ 808,550

**8. Liquidity and Availability of Financial Assets**

**Financial Assets as of June 30, 2022**

Cash and cash equivalents	\$ 630,509
Contributions receivable, net	133,766
Other receivable	26,942
Investments	14,297,516
<b>Total financial assets as of June 30, 2022</b>	<b>15,088,733</b>

**Less amounts not available to meet general expenditures within one year**

Funds with donor restrictions	14,090,980
<b>Financial assets available to meet general expenditures within one year</b>	<b>\$ 997,753</b>

**MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

— CONTINUED —

**9. Endowment Funds**

The net asset composition of the endowment as of June 30, 2022, is as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Donor-restricted funds:			
Permanent endowment	\$ -	\$ 11,361,322	\$ 11,361,322
Total endowment fund	\$ -	\$ 11,361,322	\$ 11,361,322

Change in endowment net assets consists of the following as of June 30, 2022:

	Endowment Fund		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Endowment net assets, June 30, 2021, as restated	-	11,680,405	11,680,405
Investment return	-	(1,005,141)	(1,005,141)
Contributions	-	824,030	824,030
Appropriations of endowment assets for expenditures	-	(137,972)	(137,972)
Endowment net assets, June 30, 2022	\$ -	\$ 11,361,322	\$ 11,361,322
Endowment net assets, June 30, 2022	\$ -	\$ 11,361,322	\$ 11,361,322
Non endowment net assets	821,078	2,729,658	3,550,736
Total net assets	\$ 821,078	\$ 14,090,980	\$ 14,912,058

MIDLANDS TECHNICAL COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

**10. Restatement**

The statement of financial position and statement of activities have been restated to correct an error in prior year related to the classification of net assets. Management determined that some prior year contributions were incorrectly classified as net assets without donor restrictions.

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Net assets, June 30, 2021, audited balance	1,679,637	13,976,735	15,656,372
Net funds reclassified by management	(308,413)	308,413	-
Net assets, June 30, 2021, as restated	<u>\$ 1,371,224</u>	<u>\$ 14,285,148</u>	<u>\$ 15,656,372</u>

**11. Subsequent events**

Subsequent events were evaluated through September 20, 2022, which is the date the financial statements were available for issue.

## OTHER FINANCIAL INFORMATION

# Midlands Technical College Foundation, Inc.

## Combining Schedule of Net Assets

### With Donor Restrictions and Without Donor Restrictions-Designated Funds

as of June 30, 2022

(with comparative amounts at June 30, 2021)

	With Donor Restrictions	Without Donor Restrictions Designated	2022 Total Fund Balance*	2021 Total Fund Balance*
Accounting Program Support	\$ 684	\$ -	\$ 684	\$ 684
ADN Program Support	4,655	-	4,655	4,655
Advanced Manufacturing Grant Fund	46,000	-	46,000	30,000
African American Male Leadership Initiative Fund	15,246	-	15,246	16,566
AITP Scholarship Endowment	13,873	-	13,873	15,990
Albin Johnson Memorial Endowment	172,692	-	172,692	200,779
Allied Dental Program	25	-	25	25
Alumni Association Endowment	33,774	-	33,774	38,168
Alvin J. & Shanita T. D'Angelo Grant Fund	52	-	52	52
Ambassador Assembly Support Fund	2,613	-	2,613	2,593
Area Hospitals Endowment	1,474,250	-	1,474,250	1,643,329
Arts & Sciences Endowment	11,611	-	11,611	13,466
Auto Equipment	30,739	-	30,739	33,156
AVANTech, Incorporated Scholarship Fund	12,340	-	12,340	21,340
Bank of America QuickJobs	78,533	-	78,533	123,776
Bank of America Veterans QuickJobs Fund	3,356	-	3,356	6,651
Barbara & Lester Reed Development Endowment	27,548	-	27,548	30,704
BCBS Foundation CNA Fund	-	-	-	33,000
Beatrice Lindau Endowment	45,090	-	45,090	50,568
BFS Automotive Support	9,625	-	9,625	11,625
Bill Hayes Memorial Endowment	15,025	-	15,025	17,276
Bill Lind Scholarship Endowment	44,834	-	44,834	51,451
Bishop A. C. Jackson Family Scholarship Fund	5,773	-	5,773	6,273
Blair Park Rivers Endowed Nursing Scholarship Fund	95,270	-	95,270	10,834
Blair Park Rivers QuickJobs Scholarship	984	-	984	984
Blue Cross Blue Shield of SC	150,373	-	150,373	110,373
BN Life Skills Center Endowment Fund	1,224,838	-	1,224,838	1,180,602
BN QuickJobs Endowment Fund	1,108,096	-	1,108,096	1,069,021
Boyleston Masonic Lodge No 123 AFM of SC Scholarship	1,500	-	1,500	2,000
Bridging the Gap Endowed Grant Fund	177,906	-	177,906	184,287
Bridging the Gap Scholarship Fund	11,480	-	11,480	11,480
Burkett Burkett & Burkett, CPA, P.A. Endowed Scholarship	43,329	-	43,329	44,389
Burroughs-Wyman Endowment	15,512	-	15,512	17,815
Call Me Mister Program Support Endowment	19,861	-	19,861	22,137
Canteen Vending Services	25,000	-	25,000	25,000
Caroline Pohl Staley/Taylor Brooke Payne Endowed Scholarship	46,091	-	46,091	-
Carpentry Framing	18,493	-	18,493	18,752
Carr Family Scholarship Endowment	13,966	-	13,966	16,097
Cayce-West Columbia Rotary Club Don H. Morris Scholarship	1,462	-	1,462	1,462
Charles Palmer Communities in Schools Endowment	79,918	-	79,918	89,069
Christine Hipp Endowment	17,967	-	17,967	20,762
Christopher Conner QuickJobs Scholarship Fund	21	-	21	2,266
Clark Rivers Endowed Automotive Technologies Tool Fund	90,531	-	90,531	74,274
Clinical Board Program	30,280	-	30,280	30,280
Col. Pete Sercer Irmo High School AFJROTC Scholarship	3,841	-	3,841	3,841
Colonial Life Create Opportunity Columbia Fund	62,522	-	62,522	106,758
Colonial Life Grant Fund	54,731	-	54,731	55,672
Commercial Graphics Department	14,804	-	14,804	14,804
Continuing Education Support Program	23,857	-	23,857	23,857
Corrine P. Rogers Scholarship Fund	1,654	-	1,654	1,544
Coursepower (Applied Computing Minor/Cert) Scholarship	475	-	475	475
Create Opportunity Columbia Fund	33,713	-	33,713	8,044
Create Opportunity Columbia Student Stipends	55,200	-	55,200	-

\*Includes Contributions Receivable



# Midlands Technical College Foundation, Inc.

## Combining Schedule of Net Assets

### With Donor Restrictions and Without Donor Restrictions-Designated Funds

#### as of June 30, 2022

(with comparative amounts at June 30, 2021)

	With Donor Restrictions	Without Donor Restrictions Designated	2022 Total Fund Balance*	2021 Total Fund Balance*
D.L. Scurry Foundation Endowment	114,281	-	114,281	131,115
Dental Support	26,990	-	26,990	31,041
Dental Support - Nitros	-	-	-	864
Department of Social and Behavioral Sciences Support Fund	4,000	-	4,000	4,000
Derrick Family Endowment Scholarship	15,773	-	15,773	18,215
Developmental Studies Loan	5,016	-	5,016	4,966
Dogs Offering Military Support Fund (DOMS)	29,617	-	29,617	33,617
Dorothy L. Rhames-Cunningham QuickJobs Endowment	25,835	-	25,835	-
Dorothy Smith Endowment Scholarship	41,128	-	41,128	47,520
Dr. Barry Russell Scholarship Fund	3,000	-	3,000	2,000
Dr. James R. Morris, Jr. Leadership Development Endowment Fund	36,543	-	36,543	40,733
Dr. Mary and Maurice Holloway Student Development Endowed Sc	11,650	-	11,650	-
Dunbar-Tompkins Distinguished Lecturer Endowment	21,614	-	21,614	24,616
Early Childhood Development	57	-	57	57
Early Childhood Development Program Fund	4,000	-	4,000	-
Emergency Grants Endowment	43,990	-	43,990	35,930
Engineering Equipment	1,659	-	1,659	1,659
Engineering Technology Endowment	28,597	-	28,597	31,900
English Department Bonner Endowment Fund	27,572	-	27,572	30,464
Equipment Fund	3,502	-	3,502	3,402
Ernest F. Hollings Endowment Scholarship	87,928	-	87,928	100,105
Ernie Dennison Memorial Scholarship Endowed Fund	50,763	-	50,763	56,093
Eunice Primus-Robinson Endowment Scholarship	19,225	-	19,225	22,162
Excellence in Technology Endowment	544,854	-	544,854	607,632
Faculty and Staff Development Endowment Fund	51,156	-	51,156	57,018
Faculty and Staff Endowment Scholarship	62,610	-	62,610	66,080
Fairfield School District Promise Program Endowment	219,502	-	219,502	166,089
Ford Addison Weeks Memorial Nursing Endowment	186,488	-	186,488	213,628
Franklin B. Hines, Jr. Dental Hygiene Endowed Scholarship	38,934	-	38,934	43,482
Frick Scholarship Endowment	25,716	-	25,716	28,056
Friends of the College Dinner Endowment	77,303	-	77,303	86,160
Fund the Gap Endowment Fund	29,637	-	29,637	33,098
Fundraising Support-Golf Tournament	64,287	-	64,287	62,164
Gene Haas Foundation Endowment Fund	92,170	-	92,170	100,191
Gene Haas Foundation Program Support Fund	73,576	-	73,576	150,000
Gene Haas QuickJobs Scholarship	27,024	-	27,024	23,496
General Scholarship Endowment	139,591	-	139,591	152,460
George Wooldridge Scholarship Endowment	18,671	-	18,671	21,631
Golf Veterans Scholarship Quickjobs	74,909	-	74,909	-
Google Grant/PACT Fund	17,432	-	17,432	17,432
Greater Columbia Dental Association Endowment	31,565	-	31,565	36,441
Grier K. Rivers Paralegal Endowment Scholarship Fund	95,000	-	95,000	25,000
Harbison Theatre Endowment Program Fund	20,588	-	20,588	10,066
Harbison Theatre Support	274,552	-	274,552	244,772
Harriet Gardin Fields Fund for Needy Students	506	-	506	1,506
Henry A. & Pauline H. Goodall Scholarship Endowment	35,739	-	35,739	41,407
Higher Education Research and Scholarship Foundation Fund	10,351	-	10,351	10,351
Human Services Support	1,694	-	1,694	1,694
Humanities Department Studio Arts Scholarship	-	-	-	574
HVAC Endowment	24,515	-	24,515	28,165
HVAC Program Support	30,011	-	30,011	14,261
Industrial Division Student Needs	3,132	-	3,132	3,132
Industrial Technology Equipment	1,109	-	1,109	1,109

\*Includes Contributions Receivable

# Midlands Technical College Foundation, Inc.

## Combining Schedule of Net Assets

### With Donor Restrictions and Without Donor Restrictions-Designated Funds

as of June 30, 2022

(with comparative amounts at June 30, 2021)

	With Donor Restrictions	Without Donor Restrictions Designated	2022 Total Fund Balance*	2021 Total Fund Balance*
IST Endowed Program Fund	32,613	-	32,613	36,359
IST Program Support	50	-	50	50
Jake Salley Endowment	12,759	-	12,759	14,748
James L. Hudgins Scholarship Endowment	48,883	-	48,883	54,882
Jimmy Jones Scholarship	31,746	-	31,746	31,746
John A. Norcia Scholarship Fund	100	-	100	100
John and Carrie Adams Scholarship Endowment	27,098	-	27,098	30,268
John Courson Endowment	15,621	-	15,621	18,145
Johnson Controls College Partnership Program	90,000	-	90,000	-
Joseph Daniel Love, Jr. Respiratory Care Student Scholarship	3,752	-	3,752	2,502
Joseph Mallini Paralegal Program Endowment	16,412	-	16,412	18,820
Judith Litman Lindau Scholarship Endowment	69,190	-	69,190	79,746
Jules W. Lindau Memorial Engineering Endowment	49,116	-	49,116	56,323
Kirby Able Scholarship Endowment	23,141	-	23,141	26,265
Lasenta Lewis-Ellis Scholarship Fund	6,000	-	6,000	6,000
Lexington Technology Center/Haas Grant Fund	5,000	-	5,000	5,000
Lillian S. Smith Foundation Endowed Scholarship Fund	22,556	-	22,556	-
Lloyd A. Harris Endowment	15,461	-	15,461	17,230
Machine Tool Technician	14,165	-	14,165	11,165
Management & Marketing Program Support	609	-	609	609
Marchi/Muthig Endowed Allied Dental Education Program Fund	29,336	-	29,336	23,926
Margaret and Edward Sharpe Scholarship Fund	1,865	-	1,865	685
Margaret Kelly Cubbon Endowed Scholarship Fund	35,275	-	35,275	39,846
Maria Marchant Endowment	13,470	-	13,470	15,540
Marianne J. Bagwell Endowment Fund	88,232	-	88,232	-
Marion & Rachel Knox Endowment	92,663	-	92,663	101,731
Mark Wildermuth T-Com Memorial Scholarship Endowment	20,563	-	20,563	23,864
Marshall (Sonny) White Endowed Fund for Excellence	74,926	-	74,926	83,530
Mary H. Holloway Student Development Scholarship Fund	-	-	-	6,150
Mary Leitner Memorial Endowed Scholarship	12,087	-	12,087	13,997
Maxie S. Gordon, Sr. Memorial Endowment Scholarship	15,926	-	15,926	18,276
Michael Parks Airs Scholarship Fund	1,106	-	1,106	1,106
Midlands Human Resource Association Scholarship	-	-	-	512
Mot & Malcolm Little Scholarship	10,540	-	10,540	12,540
MTC Center for Entrepreneurial Success Program Fund	5,723	-	5,723	5,723
MTC Emergency Fund for Youth in Transition	4,194	-	4,194	4,194
MTC Life Skills Center Fund	31,578	-	31,578	31,495
MTC Medical Assisting Scholarship Fund	1,060	-	1,060	1,060
MTC Retiree Scholarship	-	-	-	763
MTC Student Veterans Operating Fund	100	-	100	100
MTC Study Abroad Grant Award Fund	728	-	728	388
Nathan Fletcher Walker Memorial Scholarship Fund	19,919	-	19,919	11,505
Nord Family Foundation-PACT@MTC Fund	4,200	-	4,200	7,235
Nursing & Health Science Endowment	130,821	-	130,821	145,863
Office Systems Technology Scholarship	817	-	817	857
Palmer College Corporation	141,176	-	141,176	141,176
Palmetto PC Club Scholarship	-	-	-	4,550
Parker Williams GIVES Moore Scholarship	-	-	-	500
Patricia Mogel Coogler Dental Sciences Endowed Scholarship	75,524	-	75,524	83,118
Paul B. Vann Memorial Nursing Endowment Scholarship	16,175	-	16,175	18,553
Peggy Hall Small Scholarship Fund	5,500	-	5,500	10,000
Pepsi Beverages Company	150,099	-	150,099	155,000
Permanently Restricted	67,909	-	67,909	74,950

\*Includes Contributions Receivable

# Midlands Technical College Foundation, Inc.

## Combining Schedule of Net Assets

### With Donor Restrictions and Without Donor Restrictions-Designated Funds

as of June 30, 2022

(with comparative amounts at June 30, 2021)

	With Donor Restrictions	Without Donor Restrictions Designated	2022 Total Fund Balance*	2021 Total Fund Balance*
Pharmacy Technician Support	270	-	270	220
Physical Therapist Assistant Program	2,726	-	2,726	2,726
Power:Ed Quickjobs	58,526	-	58,526	50,000
President's Excellence Endowment	51,127	-	51,127	56,829
QuickJobs Scholarship	49,305	-	49,305	6,920
Radiologic Technician Mentorship Program	5,297	-	5,297	5,897
Ralph D. Levine Scholarship Endowment	19,473	-	19,473	22,968
Respiratory Care - Camp Catch Your Breath	4,852	-	4,852	4,552
Respiratory Care Support	4,276	-	4,276	3,492
Respiratory Therapy Loan	2,350	-	2,350	2,350
Restricted	4,495	-	4,495	4,495
Richard T. Boan Endowment for Excellence in Health Sciences	14,224	-	14,224	15,854
Richard W. Riley Endowment	106,270	-	106,270	121,076
Rivers' Kids (Art, Clark, Blair & Grier) Endowed Scholarship	95,275	-	95,275	17,141
River's Kids (Art, Clark, Blair & Grier) Scholarship	1,455	-	1,455	1,955
Robert C. Hughes Memorial Endowment Fund	24,033	-	24,033	27,025
Robert E. McNair Development Endowment	167,810	-	167,810	194,381
Ronnie Scott Memorial Endowment	38,122	-	38,122	41,995
Rosi Mary McLeod Human Services Scholarship Endowment	21,029	-	21,029	24,278
Sabrina Brown Scholarship Fund	503	-	503	1,003
Sandra and Norman Jackson Scholarship Fund	475	-	475	475
Sarah Rhames Book Fund for Students Endowment	136,621	-	136,621	148,375
SC State Fair Endowment	18,336	-	18,336	21,171
SCE&G Nuclear Systems Technology	470,851	-	470,851	470,851
Schneider Electric/Square D Endowment	87,688	-	87,688	101,099
Sean Michael Blackmer Scholarship Fund	-	-	-	2,000
Semih Ulgen Scholarship Endowment	14,111	-	14,111	15,726
Senior Nursing Student Assistance	1,058	-	1,058	1,058
Shirley Bannister Endowed Scholarship Fund	24,435	-	24,435	26,827
Shirley M. Knox Endowment	78,295	-	78,295	90,626
Solomon Jackson Jr QuickJobs & Technical Ed. Endowment Fund	1,341,292	-	1,341,292	1,535,908
Spencer T. Jones Memorial Scholarship Fund	-	-	-	350
Steven L. Ball Memorial Scholarship Endowment	23,023	-	23,023	25,999
Strategic Delevelopment Group Quickjobs Scholarship Fund	-	-	-	6,558
Strom Thurmond Endowment	101,810	-	101,810	115,563
Student Success Endowment	117,447	-	117,447	130,902
Surgical Technician Program	4,322	-	4,322	4,082
Teaching Excellence Endowment	47,370	-	47,370	52,795
The M&P Uszkay Scholarship Endowed Fund	26,325	-	26,325	27,010
The Moore/Shuster Family Endowed Scholarship	85,377	-	85,377	95,363
Thomas Michael Doyle Memorial Scholarship	6,560	-	6,560	-
Unrestricted Endowment	-	357,324	357,324	397,656
Valeria Y. Rhames Emergency Support Endowment	25,935	-	25,935	-
Virgil C. & Vera B. Summer Endowment Scholarship	20,784	-	20,784	23,690
Water Environment Association of SC Legacy of Learning	525	-	525	525
Welding Program Support Fund	15,774	-	15,774	16,658
Wells Fargo QuickJobs	24,512	-	24,512	11,370
Wells Fargo Scholarship Endowment	13,135	-	13,135	15,167
Wilkins Family Grants Endowment	120,467	-	120,467	134,885
William C. Goodwin IV Memorial Endowment	14,052	-	14,052	15,660
William Jerry Wood Life Skills Center Endowment	604,787	-	604,787	662,534
Youth Apprenticeship Program Support Fund	111,036	-	111,036	111,513
	\$ 14,090,980	\$ 357,324	\$ 14,448,304	\$ 14,682,804

\*Includes Contributions Receivable

