WAKE TECHNICAL COMMUNITY COLLEGE FOUNDATION, INC. AND SUBSIDIARY

Consolidated Financial Statements

Year Ended June 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Wake Technical Community College Foundation, Inc. and Subsidiary
Raleigh, North Carolina

Opinion

We have audited the accompanying consolidated financial statements of Wake Technical Community College Foundation, Inc. (a nonprofit organization) and Subsidiary, which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Wake Technical Community College Foundation, Inc. and Subsidiary as of June 30, 2024, and the changes in their net assets and their 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 Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Wake Technical Community College Foundation, Inc. and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 consolidated 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 Wake Technical Community College Foundation, Inc. and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wake Technical Community College Foundation, Inc. and Subsidiary'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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on pages 25 to 27 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Wake Technical Community College Foundation, Inc. and Subsidiary's 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 18, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Thomas, Judy & Tucker, P.A.

Raleigh, North Carolina
November 14, 2024

WAKE TECHNICAL COMMUNITY COLLEGE FOUNDATION, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2024
(With Comparative Totals as of June 30, 2023)

	2024			2023
ASSETS	Without Restrictions	With Restrictions	Total	Total
Current Assets:				
Cash and Cash Equivalents	$ 2,090,451	$ 2,181,701	$ 4,272,152	$ 3,510,023
Sales Tax Receivable	18,871		18,871	9,505
Investments	3,761,421	17,629,218	21,390,639	18,021,112
Pledges Receivable - Current, Net		1,361,042	1,361,042	1,308,650
Charitable Lead Annuity Trust - Current		205,190	205,190	170,992
Total Current Assets	5,870,743	21,377,151	27,247,894	23,020,282
Property and Equipment:				
Equipment	336,164		336,164	336,164
Software	128,319		128,319	128,319
Accumulated Depreciation	(204,356)		(204,356)	(156,333)
Net Property and Equipment	260,127		260,127	308,150
Other Assets:				
Pledges Receivable - Net		1,755,270	1,755,270	2,491,185
Land Held for Sale	267,412	296,713	564,125	564,125
Charitable Lead Annuity Trust - Net		1,058,044	1,058,044	1,203,080
Charitable Split Interest Annuity Trust		164,860	164,860	164,112
Deferred Income Taxes	10,895		10,895	12,800
Total Other Assets	278,307	3,274,887	3,553,194	4,435,302
Total Assets	$ 6,409,177	$ 24,652,038	$ 31,061,215	$ 27,763,734
LIABILITIES, EQUITY, AND NET ASSETS				
Liabilities:				
Income Taxes Payable	$	$	$	$ 1,903
Accounts Payable	52,294		52,294	
Related Party Accounts Payable	4,000		4,000	4,000
Liabilities under Charitable Split Interest Annuity - Current Portion	16,419		16,419	16,419
Total Current Liabilities	72,713		72,713	22,322
Liabilities under Charitable Split Interest Annuity - Net	40,976		40,976	44,861
Total Liabilities	113,689		113,689	67,183
Equity:				
Retained Earnings	137,823		137,823	171,276
Total Equity	137,823		137,823	171,276
Net Assets:				
Without Donor Restrictions:				
Undesignated	4,607,295		4,607,295	4,210,147
Designated by the Board	1,550,370		1,550,370	1,385,814
With Donor Restrictions:				
Perpetual in Nature		15,677,130	15,677,130	13,370,670
Purpose Restrictions		8,974,908	8,974,908	8,558,644
Total Net Assets	6,157,665	24,652,038	30,809,703	27,525,275
Total Liabilities, Equity, and Net Assets	$ 6,409,177	$ 24,652,038	$ 31,061,215	$ 27,763,734

See Accompanying Notes

WAKE TECHNICAL COMMUNITY COLLEGE FOUNDATION, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenues:				
Contributions	$ (41,868)	$ 3,293,380	$ 3,251,512	$ 4,666,858
Investment Earnings	997,283	1,408,766	2,406,049	1,439,441
Contributions of Nonfinancial Assets	1,097,870	2,480,219	3,578,089	3,127,062
Product Sales		45,078	45,078	19,333
Interest Income	64,977		64,977	25,250
Other Income	(2)	2,784	2,782	7,927
Total Support and Revenues	2,118,260	7,230,227	9,348,487	9,285,871
Net Assets Released from Restrictions	4,507,503	(4,507,503)		
Loss on Sale of Fixed Assets				(320,811)
Program Expenses:				
Scholarship Support	993,356		993,356	917,665
Fostering Bright Futures	82,596		82,596	144,522
College Support	1,085,028		1,085,028	2,547,865
College Initiatives	2,485,818		2,485,818	1,232,095
General and Administrative	756,735		756,735	782,008
Fundraising	660,526		660,526	469,814
Total Expenses	6,064,059		6,064,059	6,093,969
Change in Net Assets	561,704	2,722,724	3,284,428	2,871,091
Sales and Revenue:				
Energy Rebate	40,785		40,785	73,697
Other Income				10
Total Sales and Revenue	40,785		40,785	73,707
Expenses:				
Management and General	74,238		74,238	47,501
Total Expenses	74,238		74,238	47,501
Net Income (Loss) Before Income Taxes	(33,453)		(33,453)	26,206
Income Tax Expense (Benefit)				(12,800)
Net Income (Loss)	(33,453)		(33,453)	39,006
Retained Earnings, Beginning of Year	171,276		171,276	132,270
Retained Earnings, End of Year	137,823		137,823	171,276
Net Assets, Beginning of Year	5,595,961	21,929,314	27,525,275	24,654,184
Net Assets, End of Year	$ 6,157,665	$ 24,652,038	$ 30,809,703	$ 27,525,275

See Accompanying Notes

WAKE TECHNICAL COMMUNITY COLLEGE FOUNDATION, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

	2024								2023
	Program					Administrative and General	Fundraising	Total	Total
	Scholarships	Fostering Bright Futures	College Support	Program Support	Total Program				
Utilization of Nonfinancial Assets	$	$ 1,310	$ 472,427	$ 2,009,678	$ 2,483,415	$ 490,192	$ 613,786	$ 3,587,393	$ 3,128,922
General Program Support		5,275	70,284	95,166	170,725	58,744		229,469	176,707
Scholarships	903,609				903,609			903,609	886,939
Student Financial Assistance and Grants	89,747	27,960			117,707			117,707	86,882
Tuition Assistance			88,418		88,418			88,418	90,178
Faculty Recognition			9,560		9,560			9,560	49,930
Events		7,778	182,940	31	190,749	467	10,944	202,160	174,293
Professional Service Contracts		1,350	69,799	63,423	134,572	33,351		167,923	184,799
Travel and Meetings		195	44,798	22,724	67,717	22,576	802	91,095	68,206
Audit and Tax Compliance Fees						26,950		26,950	18,825
Support and Training			7,160	1,139	8,299	3,498		11,797	29,684
Supplies		3,509	78,558	55,434	137,501	13,691	946	152,138	629,833
Meals/Food		3,851	31,500	11,926	47,277	8,016	12,787	68,080	96,055
Repairs and Maintenance						19,494		19,494	1,950
Salaries		31,356	26,535	220,706	278,597	35,525		314,122	390,852
Dues, Subscriptions, and Memberships			2,466	4,505	6,971	60,924		67,895	47,131
Printing, Postage, and Publications		12	112	227	351	2,381		2,732	3,495
Donor Recognition			471	240	711		13,801	14,512	38,888
Bad Debt, Net of Recoveries						(8,000)		(8,000)	(19,000)
Legal									30
Banking Fees						285	7,460	7,745	7,335
Rent						4,000		4,000	4,000
Lease									12,434
Depreciation						48,023		48,023	28,014
Other				619	619	10,856		11,475	5,088
	$ 993,356	$ 82,596	$ 1,085,028	$ 2,485,818	$ 4,646,798	$ 830,973	$ 660,526	$ 6,138,297	$ 6,141,470

See Accompanying Notes

WAKE TECHNICAL COMMUNITY COLLEGE FOUNDATION, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended June 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

	2024	2023
Cash Flows from Operating Activities:		
Change in Net Assets and Net Loss	$ 3,250,975	$ 2,910,097
Adjustments to Reconcile Change in Net Assets and Net Loss to Net Cash Provided (Used) by Operating Activities:		
Depreciation	48,023	28,014
Deferred Income Tax Benefit	1,905	(12,800)
Amortization of Charitable Lead Annuity Trust	(64,238)	(67,763)
Net Appreciation in Fair Value of Investments	(914,884)	(1,592,111)
Net Realized (Gain) Loss on Sale of Investments	(1,055,008)	780,368
Realized Loss on Sale of Land		320,811
Change in Discount on Long Term Pledges Receivable	135,000	85,000
Change in Allowance for Doubtful Accounts	8,000	(20,000)
Changes in Assets and Liabilities:		
Sales Tax Receivable	(9,366)	1,645
Pledges Receivable	540,523	(1,146,103)
Charitable Lead Annuity Trust	175,076	146,012
Charitable Split Interest Annuity Trust	(748)	4,261
Income Taxes Payable	(1,903)	(4,802)
Accounts Payable	52,294	(21)
Related Party Accounts Payable		4,000
Charitable Split Interest Annuity Payable	(3,885)	(4,119)
Contributions Restricted for Long Term Purposes	(738,188)	(2,775,218)
Net Cash Provided (Used) by Operating Activities	1,423,576	(1,342,729)
Cash Flows from Investing Activities:		
Proceeds on Sale of Investments	15,632,616	8,300,001
Purchase of Investments	(17,032,251)	(9,460,825)
Proceeds from Land Held for Sale		131,295
Purchases of Fixed Assets		(336,164)
Net Cash Used by Investing Activities	(1,399,635)	(1,365,693)
Cash Flows from Financing Activities:		
Collections of Contributions Restricted for Long Term Purposes	738,188	2,775,218
Net Cash Provided by Financing Activities	738,188	2,775,218
Net Increase in Cash and Cash Equivalents	762,129	66,796
Cash and Cash Equivalents, Beginning of Year	3,510,023	3,443,227
Cash and Cash Equivalents, End of Year	$ 4,272,152	$ 3,510,023

See Accompanying Notes

1. Business Operations and Summary of Significant Accounting Policies

Business Operations
Wake Technical Community College Foundation, Inc. (the "Foundation") is a nonprofit organization established to operate exclusively for charitable and educational purposes, in order to receive funds from corporate and individual contributors which are used in support of and benefit to Wake Technical Community College ("College") in such a manner deemed necessary and appropriate by the Board of Directors of the Foundation.

Principles of Consolidation
The consolidated financial statements include the accounts of Wake Technical Community College Foundation, Inc., Wake Tech Innovations, Inc., and LS Selma, LLC. All significant intercompany balances and transactions have been eliminated in consolidation.

Wake Tech Innovations, Inc. ("Innovations"), a for-profit corporation, was formed in May 2012 to construct, operate, and maintain a solar photovoltaic array. Wake Technical Community College Foundation, Inc. owns 100% of Innovations common stock. No amounts were paid for the common stock.

The books and records of Wake Technical Community College Foundation, Inc. include the accounts of LS Selma, LLC ("Selma"), a for-profit limited liability company, which was formed in December 2012 to receive, maintain, and sell donated land. Selma was wholly-owned by Wake Technical Community College Foundation, Inc. prior to its dissolution in October 2022.

Wake Technical Community College Foundation, Inc., Wake Tech Innovations, Inc., and LS Selma, LLC are collectively referred to as the "Foundation". The Foundation's revenues are derived primarily to benefit the following programs:

Scholarship Support: Financial assistance to degree and non-degree students attending Wake Technical Community College.

Fostering Bright Futures: Financial, academic and social support for students who are in or were in the foster care system.

College Support: Equipment, professional development and financial support for Wake Technical Community College departments and divisions.

Program Support: Targeted support for key programmatic initiatives of Wake Technical Community College.

Basis of Accounting and Use of Estimates:
The consolidated financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with GAAP whereby revenues are recognized when earned and expenses are recognized when incurred. Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

1. Business Operations and Summary of Significant Accounting Policies (Continued)

Financial Statement Presentation
Financial statement presentation follows the recommendations of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Not-for-Profit Entities – Presentation of Financial Statements*. ASC 958-205 requires that not-for-profit organizations provide a statement of financial position, a statement of activities, a statement of functional expenses, and a statement of cash flows. Also, ASC 958-205 requires classification of an organization's net assets, revenues and expenses according to the following net asset classifications:

Net Assets without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net Assets with Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

Contributions
The Foundation has adopted FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*. Contributions received are recorded as contributions without donor restrictions or contributions with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Although restricted contributions typically are reported as support that increases nets assets with donor restrictions, they may be reported as support without donor restriction if the restrictions are met in the same reporting period, the policy is followed consistently, and it is disclosed.

Investments
Investments consist primarily of assets invested in marketable equity and debt securities. The Foundation accounts for investments in accordance with FASB ASC 958-320 and subsections as it relates to *Accounting for Certain Investments Held By Not-for-Profit Organizations*. This standard requires that investments in equity securities with readily determinable fair value and all investments in debt securities be measured at fair value in the consolidated statement of financial position. Fair value of marketable equity and debt securities is based on quoted market prices. The realized and unrealized gains or losses in investments are reflected in the accompanying consolidated statement of activities.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Foundation considers short-term, highly liquid investments that are readily convertible to known amounts of cash with an original maturity at date of purchase of three months or less to be cash equivalents. As of June 30, 2024 and 2023, the Foundation had $2,799,663 and $2,079,386 of cash equivalents, respectively.

1. Business Operations and Summary of Significant Accounting Policies (Continued)

Functional Allocations of Expenses
The consolidated statement of functional expenses reports certain categories of expenses that are attributable to one or more program or supporting functions of the Foundation. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. All other expenses are directly identified with either programs or in administrative and general or fundraising. The expenses that are allocated include the following:

Expense	Method of Allocation
Utilization of Nonfinancial Assets	Time and Effort
Salaries	Time and Effort

Accounting for Uncertainty in Income Taxes
The Foundation is exempt from income taxes as a nonprofit organization under Internal Revenue Service ("IRS") code section 501(c)(3). During the years ended June 30, 2024 and 2023, the Foundation reported no unrelated business taxable income which is defined by the IRS as gross income derived from any unrelated trade or business that is not substantially related to the organization's tax-exempt purpose. Accordingly, no provision for income taxes has been recorded.

Wake Tech Innovations, Inc. accounts for uncertainties using the asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

The Foundation has adopted the provisions of FASB ASC 740-10-25 as it relates to *Accounting for Uncertainty in Income Taxes*. Under this provision, an organization must recognize the tax benefit associated with tax taken for tax return purposes when it is more likely than not the position will be sustained. The Foundation does not believe there are any material uncertain tax positions and, accordingly, no liability for unrecognized tax benefits will be recorded. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax years in progress. For the years ended June 30, 2024 and 2023, there were no interest or penalties recorded or included in the consolidated financial statements related to income taxes.

Property and Equipment
Expenditures for property and equipment are recorded at cost. Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. Upon disposition of property and equipment, the related asset and accumulated depreciation accounts are removed and any gain or loss is reflected in the consolidated statement of activities for the period. The estimated useful life of software included within property and equipment for the purpose of computing depreciation is three years.

Depreciation expense for the years ended June 30, 2024 and 2023 was $48,023 and $28,014, respectively.

1. Business Operations and Summary of Significant Accounting Policies (Continued)

Endowments
The Foundation adopted the provisions of FASB ASC 958-205 and subsections as it relates to *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds*. FASB ASC 958-205 provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Acts of 2006 ("UPMIFA") and is effective for fiscal years ending after December 15, 2008. UPMIFA is a model act approved by the Uniform Law Commission (ULC; formerly known as the National Conference of Commissioners on Uniform State Laws) that serves as a guideline for states to use in enacting legislation. It also improves disclosures about an organization's endowment funds (both donor-restricted endowment funds and board designated endowment funds), and whether or not the organization is subject to UPMIFA.

Contributions of Nonfinancial Assets
The Foundation has adopted FASB ASC 958-605 and subsections as it relates to *Revenue Recognition* and Accounting Standards Update ("ASU") 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Under these provisions, the Foundation reports gifts of furniture, equipment and other nonmonetary contributions as support without donor restriction unless explicit donor stipulations specify how the donated assets must be used. The Foundation recognizes contributions of services received if such services (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not contributed. Contributions of nonfinancial assets are valued based upon estimates of fair market value at date of receipt.

The Foundation has adopted FASB ASC 958-720-50-3 and subsections as it relates to *Related Party Transactions and Common Control* and ASU 2013-06, *Not-for-Profit Entities (Topic 958): Services Rendered from Personnel of an Affiliate*. Under these provisions, the Foundation is required to report information regarding its services received from personnel of the College and the services are to be recognized at fair market value.

New Accounting Pronouncements
Effective July 1, 2023, the Company adopted provisions of FASB Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASC 326"), on a modified retrospective basis, which did not result in a cumulative-effect adjustment to the opening balance of net assets to be recognized on the date of adoption. ASC 326 requires the measurement of all expected credit losses for financial assets held at the reporting date is based on historical experience, current conditions, and reasonable and supportable forecasts.

2. Availability and Liquidity

The following represents the Foundation's financial assets as of June 30, 2024:

Financial assets at year-end:		
Cash and Cash Equivalents	$	4,272,152
Sales Tax Receivable		18,871
Investments		21,390,639
Pledges Receivable – Current		1,361,042
Charitable Lead Annuity Trust - Current		205,190
Total financial assets		27,247,894
Less amounts not available to be used within one year:		
Donor-Restricted Funds for Purpose		5,996,734
Perpetual Endowments		15,677,130
Board Designated Funds		1,550,370
Financial assets available to meet general expenditures over the next twelve months	$	4,023,660

The Foundation's board-designated funds as of June 30, 2024 were $1,550,370 and are subject to the Board's spending policy. Although the Foundation does not intend to spend from this board-designated fund (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

The Foundation's policy is to have adequate liquid funds available to meet 100% of the prior year's cash requirements.

3. Concentrations of Credit Risk

The Foundation occasionally maintains cash deposits in excess of federally insured limits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. Accounts at each brokerage firm are insured by the Securities Investor Protection Corporation up to $500,000. At June 30, 2024, the Foundation's uninsured cash balances totaled $2,365,188.

4. Deposits

All funds of the Foundation are deposited in board-designated official depositories and are required to be collateralized in accordance with *North Carolina General Statute* 115D-58.7. Official depositories may be established with any bank or savings and loan association whose principal office is located in North Carolina. Also, the Foundation may establish time deposit accounts, money market accounts, and certificates of deposit. At June 30, 2024 and 2023, the Foundation had a balance of $1,157,700 and $1,111,183, respectively, on deposit with the State Treasurer.

4. Deposits (Continued)

The North Carolina Administrative Code (20 NCAC 7) requires all depositories to collateralize public deposits in excess of federal depository insurance coverage by using one of two methods, dedicated or pooled. Under the dedicated method, a separate escrow account is established by each depository in the name of each local government unit and the responsibility of monitoring collateralization rests with the local unit. Under the pooling method, each depository establishes an escrow account in the name of the State Treasurer to secure all of its public deposits. This method shifts the monitoring responsibility from the local unit to the State Treasurer. Custodial credit risk is the risk that in the event of a bank failure, the Foundation’s deposits may not be returned to it. As of June 30, 2024, the Foundation’s bank balance in excess of federal depository insurance coverage was covered under the pooling method.

5. Investments

The fair value of investments at June 30 is comprised of the following:

	2024		
	Fair Value	Cost	Unrealized Gain (Loss)
Financial Assets:			
Mutual Funds	$ 19,356,391	$ 18,172,671	$ 1,183,720
U.S. Government and Agency Bonds	615,037	619,887	(4,850)
Municipal Obligations	271,546	272,933	(1,387)
Corporate Obligations	1,147,665	1,158,807	(11,142)
Total	$ 21,390,639	$ 20,224,298	$ 1,166,341

	2023		
	Fair Value	Cost	Unrealized Gain (Loss)
Financial Assets:			
Mutual Funds	$ 16,081,594	$ 15,745,574	$ 336,020
U.S. Government and Agency Bonds	680,557	693,648	(13,091)
Municipal Obligations	298,954	308,597	(9,643)
Corporate Obligations	960,007	1,009,937	(49,930)
Total	$ 18,021,112	$ 17,757,756	$ 263,356

The Foundation’s investment income (losses) consisted of the following items for the years ended June 30, 2024 and 2023:

	2024	2023
Realized Gains (Losses) on Investments	$ 1,055,008	$ (780,368)
Interest and Dividends	529,143	694,146
Unrealized Gains (Losses) on Investments	914,884	1,592,111
Investment Fees	(92,986)	(66,448)
Total	$ 2,406,049	$ 1,439,441

5. Investments (Continued)

For purposes of determining the gain or loss on sale, the cost of the investment is based on the average cost of all shares of each such investment fund at the date of the sale.

6. Fair Value Measurements

FASB ASC 820-10 and subsections as it relates to *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

6. Fair Value Measurements (Continued)

As of June 30, 2024 and 2023, all of the Foundation's financial instruments are as follows:

	Level 1	Level 2	Level 3	Total
June 30, 2024				
Financial Assets:				
Mutual Funds	$ 19,356,391	$	$	$ 19,356,391
U.S. Government and Agency Bond		615,037		615,037
Municipal Obligations		271,546		271,546
Corporate Obligations		1,147,665		1,147,665
	$ 19,356,391	$ 2,034,248	$	$ 21,390,639
Beneficial Interest in:				
Charitable Trusts Held by Others	$	$	$ 1,428,094	$ 1,428,094

	Level 1	Level 2	Level 3	Total
June 30, 2023				
Mutual Funds	$ 16,081,594	$	$	$ 16,081,594
U.S. Government and Agency Bond		680,557		680,557
Municipal Obligations		298,954		298,954
Corporate Obligations		960,007		960,007
	$ 16,081,594	$ 1,939,518	$	$ 18,021,112
Beneficial Interest in:				
Charitable Trusts Held by Others	$	$	$ 1,538,184	$ 1,538,184

Investments are reported at fair market values based on quotation from national securities exchanges or brokerage firms. Beneficial interest in charitable trusts are reported at the 14fair market values of underlying securities as reported by the trusts.

The following is a reconciliation of the beginning and ending balances of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended June 30, 2024 and 2023:

	2024	2023
Beginning Balance	$ 1,538,184	$ 1,620,694
Investment Return	79,605	79,921
Distributions	(189,695)	(162,431)
Ending Balance	$ 1,428,094	$ 1,538,184

7. Endowment Fund

The Foundation's endowment consists of approximately 90 individual funds established for a variety of purposes. The endowments include both donor restricted endowment funds and internally designated funds to function as endowments. As required by generally accepted accounting principles of the United States of America ("GAAP"), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations of investment earnings to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity is subject to appropriation for expenditure by the Foundation in a manner consistent with the standards of prudence prescribed by UPMIFA.

Endowment net assets consist of the following as of June 30:

	2024		
	Without Donor Restriction	With Donor Restriction	Total
Board Designated Funds	$ 1,163,814	$	$ 1,163,814
Donor Restricted Endowment Funds:			
Funds to be Kept in Perpetuity		15,677,130	15,677,130
Accumulated Investment Gains		2,602,660	2,602,660
Total	$ 1,163,814	$ 18,279,790	$ 19,443,604

	2023		
	Without Donor Restriction	With Donor Restriction	Total
Board Designated Funds	$ 1,163,814	$	$ 1,163,814
Donor Restricted Endowment Funds:			
Funds to be Kept in Perpetuity		13,370,670	13,370,670
Accumulated Investment Gains		2,629,628	2,629,628
Total	$ 1,163,814	$ 16,000,298	$ 17,164,112

7. Endowment Fund (Continued)

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. The Foundation has adopted specific guidelines for both equity and fixed income investments. The guidelines for equity investments include equity holdings that may only be selected from the New York, America, Regional and Major Foreign Stock Exchanges, or the NASDAQ markets. No individual security managed by any one investment manager should exceed 5% (at cost) of the total assets contained in their respective portfolio. Holdings must represent companies meeting the minimum capitalization of $50 million with high market liquidity. Allocations to any non-US equity portfolio will have no more than 30% in any one country. The overall portfolio should be reflective of a balanced and broad based asset allocation. For fixed income securities, investment securities will be managed actively to pursue opportunities presented by changes in interest rates, credit ratings, and other factors.

No investments of a single issuer (with the exception of the U.S. Government and its agencies) should exceed 10% (at cost) of the total assets contained in any one manager's portfolio. The fixed income portfolio will have an overall Standard and Poor's rating or a Moody's rating of Investment Grade or higher, and the duration will not exceed the Bloomberg Barclays Aggregate Bond Index by 1 ½ years. Money Market Funds selected shall contain securities whose credit rating at the absolute minimum would be rated investment grade by Standard and Poor's or Moody's.

The investment manager is prohibited from investing in private placements and from speculating in fixed income or interest rate futures, swaps and derivatives.

The Foundation's goal is to yield investment return over a five-year period such that each endowment may fund payouts of 4% of a three-year rolling average of an endowment's market value as of year-end, based on the size of the endowment, toward the scholarship or other intended purpose. In years where the investment income is negative 5% or greater, no allocations are authorized without a specific vote of the Board of Directors.

7. Endowment Fund (Continued)

Changes in the endowment net assets for the years ended June 30, 2024 and 2023 are as follows:

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, June 30, 2022:	$ 1,163,814	$ 11,962,875	$ 13,126,689
Investment Loss (As Restated)		556,181	556,181
Contributions		2,869,264	2,869,264
Transfer of Funds		668,015	668,015
Payout of endowment assets for expenditure		(56,037)	(56,037)
Endowment net assets, June 30, 2023:	1,163,814	16,000,298	17,164,112
Investment Income		1,408,776	1,408,776
Contributions		2,869,380	2,869,380
Payout of endowment assets for expenditure		(1,998,664)	(1,998,664)
Endowment net assets, June 30, 2024:	$ 1,163,814	$ 18,279,790	$ 19,443,604

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below what the donor requires the Foundation to retain as with donor restrictions. Deficiencies of this nature result from unfavorable market fluctuations and would be included in without donor restricted net assts. As of June 30, 2024 and 2023, there were no deficiencies.

8. Pledges Receivable

The Foundation receives pledges to support scholarships, financial assistance and other programs. Pledge receivables consisted of the following at June 30:

	2024	2023
Receivable in less than one year	$ 1,396,042	$ 1,308,650
Receivable in one to ten years	2,080,270	2,994,185
Total unconditional promises to give	3,476,312	4,302,835
Less: discounts to net present value	(325,000)	(460,000)
Less: allowance for doubtful pledges	(35,000)	(43,000)
Net unconditional promises to give	$ 3,116,312	$ 3,799,835

The Foundation used a risk rate of 5% for the years ended June 30, 2024 and 2023 to calculate the net present value.

9. Charitable Lead Annuity Trust

The Foundation is the beneficiary of an irrevocable charitable lead annuity trust created in 2013. The trust agreement states that the Foundation will receive annual cash payments starting at $32,328 which increase 120% annually over the next 15 years. The Foundation recorded amortization of the discount associated with the estimated present value of the receivable in the amounts of $64,164 and $68,733 as a contribution for the years ended June 30, 2024 and 2023. During the years ended June 30, 2024 and 2023, the Foundation determined the discount rate used should be 5% due to market conditions.

The status of the amounts recorded under the charitable lead annuity trust are as follows as of June 30:

	2024	2023
Remaining annual payments	$ 1,439,106	$ 1,614,320
Less: Discount at 5 percent	(175,872)	(240,248)
Present value of amounts receivable	1,263,235	1,374,072
Less: Current portion of present value	(205,190)	(170,992)
Long term portion of present value	$ 1,508,044	$ 1,203,080

The charitable lead annuity trust is scheduled to be received as follows:

Within one year	$ 205,190
Two to five years	1,233,916
	$ 1,439,106

10. Charitable Split Interest Annuity

The Foundation is the beneficiary of a charitable split interest annuity created in 2021. The agreement states that the Foundation will receive immediate and unrestricted title to contributed assets and in exchange will make fixed recurring payments over a stipulated period. Contributed assets are recorded at the fair value of the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and a rate-adjusted discount rate of 1.4%. The excess of contributed assets over the annuity liability is recorded as contribution without donor restrictions. In subsequent years, the liability for future annuity payments is reduced by payments made to the specified beneficiaries and is adjusted to reflect amortization of the discount and changes in actuarial assumptions at the end of the year. Upon termination of the annuity contract, the remaining liability is removed and recognized as income. As of June 30, 2024 and 2023, assets held under the gift are $164,860 and $164,112, and the liability is $57,395 and $61,280, respectively.

11. Designated Net Assets

Net assets with board designations are designated for the following purposes:

	2024	2023
Business Services Facilities	$ 486,757	$ 433,123
Stephen Scott Applied Benchmarking	1,063,613	952,691
	$ 1,550,370	$ 1,385,814

12. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes as follows:

	2024	2023
Subject to expenditure for specified purpose:		
Student Success and Support	$ 78,686	$ 30,424
College Educational Support	2,199,186	2,121,764
Grant Programs	698,961	571,358
Programs and Special Operations	3,395,415	3,212,687
	6,372,248	5,936,233
Endowments:		
Subject to appropriation and expenditure when a specified event occurs:		
Student Support (Scholarships, Foster Care Program, Curriculum)	2,602,660	2,622,411
Subject to endowment spending policy and appropriation:		
Student Support (Scholarships, Foster Care Program, Curriculum)	15,677,130	13,370,670
Total Net Assets with Donor Restrictions	$ 24,652,038	$ 21,929,314

12. Net Assets with Donor Restrictions (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other event events specified by the donors as follows for the years ended June 30, 2024 and 2023:

	2024	2023
Satisfaction of Purpose Restrictions:		
Gift in Kind	$ 2,480,219	$ 2,117,160
Scholarships	887,286	742,406
Equipment and Supplies	137,501	613,327
General Program Support	170,723	224,825
Event and Meal Expenses	238,026	243,180
Other Expenses	621,755	743,721
	$ 4,535,510	$ 4,684,619

13. Related Party Transactions

During the years ended June 30, 2024 and 2023, the College provided office space, utilities, hardware, software, and other office equipment to the Foundation without charge. The Foundation recognized operating costs of $44,991 and $47,800 for the years ended June 30, 2024 and 2023, respectively.

Under an operating agreement between the College and the Foundation for the years ended June 30, 2024 and 2023, the College agreed to retain and fund experienced personnel for the Foundation. The employees are considered employees of the College. With the adoption of FASB ASC 958-720-50-3, the Foundation recognized personnel costs of $983,210 and $943,057 for the years ended June 30, 2024 and 2023, respectively.

The Foundation received gifts-in-kind from board members for services rendered during the years ended June 30, 2024 and 2023 totaling $0 and $13,838, respectively.

All accounts payable are owed to the College under an agreement with the College that includes reimbursement for related expenses.

The Foundation paid a board member for tax services rendered for the years ended June 30, 2024 and 2023 totaled $8,925 and $4,000, respectively.

14. Leases

The Foundation leases rooftop space under an operating lease with the College that expires July 2032 and requires an annual payment of $4,000. The rooftop space is used to house solar energy equipment that was leased under a separate lease with a bank until November 2022, at which time the equipment was purchased.

14. Leases (Continued)

During 2012, the Foundation constructed and subsequently sold solar energy equipment to a bank at a cost of $1,246,366. Concurrent with the sale, the Foundation leased back the equipment under an operating lease with the bank for 10 years with monthly payments of $2,898, which terminated in November 2022. The transaction was accounted for as a sale-leaseback transaction by the Foundation. The lease was considered an operating lease. The solar equipment that was purchased after the lease terminated generates energy rebates which are paid for by the utility company.

Total rent expense for the rooftop space for the years ended June 30, 2024 and 2023 was $4,000. Total lease expense for the solar energy equipment for the years ended June 30, 2024 and 2023 was $0 and $11,592, respectively.

Total future minimum lease payments under these leases are as follows:

Year Ending June 30	Rent Amount
2025	$ 4,000
2026	4,000
2027	4,000
2028	4,000
2029	4,000
Thereafter	8,000
Total	$ 28,000

15. Income Taxes

The provision for income taxes for Wake Tech Innovations, Inc. is as follows for the years ended June 30:

	2024	2023
Federal	$	$
Deferred Taxes		(12,800)
Provision for Income Taxes Expense (Benefit)	$	$ (12,800)

Innovations has a net operating loss carryforward of approximately $272,000 available to offset future federal and state taxable income due to differences in book and tax depreciation. The net operating loss carryforward begins to expire in 2038 and 2033 for federal and state purposes, respectively.

Innovations' provision for income taxes differs from applying the statutory U.S. federal income tax rate to income before income taxes. The primary differences result from net operating losses and from differences in depreciation expense for book and tax purposes.

15. Income Taxes (Continued)

Significant components of Innovations' deferred tax assets and liabilities as of June 30 are as follows:

	2024	2023
Deferred Tax Liabilities:		
Net Operating Loss	$ (56,978)	$ (59,700)
Deferred Tax Assets:		
Federal Depreciation	67,873	72,500
Net Deferred Tax Assets	$ 10,895	$ 12,800

16. Concentrations

Fifty one percent (51%) of pledges receivable at June 30, 2024 were due from three donors. Sixty percent (60%) of pledges receivable at June 30, 2023 were due from two donors. The Foundation received support in the form of a gift-in-kind of approximately 83% from three donors for the year ended June 30, 2024. The Foundation received support in the form of a gift-in-kind of approximately 78% from three donors for the year ended June 30, 2023. A significant reduction in this level of support, if it were to occur, could have a significant impact on the Foundation's programs and activities.

17. Contributed Nonfinancial Assets

Contributed specialized services and property and equipment for the years ended June 30, 2024 and 2023, were as follows:
.

	2024	2023
Payroll Services	$ 983,210	$ 943,057
Faculty, Clinical, Labs and Nursing Educators	2,119,610	1,716,409
Professional Services Supplies	60,840	135,000
Other	414,429	332,596
	$ 3,578,089	$ 3,127,062

Payroll Services
The Foundation receives donated services of employees of the College that would typically be paid for. These services are recognized as contributions of nonfinancial assets as they fall under ASU 2013-06. The in-kind contribution and offsetting expense are recognized as the services are rendered. In valuing payroll services, the Foundation estimated the fair value of these services based on actual costs to the College.

17. Contributed Nonfinancial Assets (Continued)

Faculty, Clinical, Labs and Nursing Educators
The Foundation receives the services of faculty, clinical, labs and nursing educators that are considered professional services. These services, which require specialized skills, are recognized as contributions of nonfinancial assets and offsetting expense at fair value when the services are rendered. In valuing faculty, clinical, labs, and nursing educators, the Foundation estimated fair value of these services as provided by the service provider, who estimated the fair value based on the date, time, and market in which each service is rendered.

Supplies
The Foundation receives supplies for professional services and student training. These supplies are recognized as contributions of nonfinancial assets and offsetting expenses as they are consumed. In valuing supplies, the Foundation estimated fair value of these supplies as provided by the donor, who estimated the fair value based on the date received and nature of the item.

Other
The Foundation receives other materials and services. These materials and services are recognized as contributions of nonfinancial assets and offsetting expenses at fair value as the materials are consumed or when the services are rendered. In valuing other materials and services, the Foundation estimated fair value of these materials and services as provided by the donor or service provided, who estimated the fair value based on the date received and nature of the item (materials) or based on the date, time, and market in which each service was rendered (services).

18. Prior Year Information

The consolidated statements of activities and functional expenses include certain prior-year summarized comparative information in total but not by net asset class and functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation's consolidated financial statements for the year ended June 30, 2023, from which the summarized information was derived.

19. Subsequent Events

Management evaluates events occurring subsequent to the date of the consolidated financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through November 14, 2024, which is the date the consolidated financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

WAKE TECHNICAL COMMUNITY COLLEGE FOUNDATION, INC. AND SUBSIDIARY
SCHEDULE OF CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2024

	Wake Technical Community College Foundation, Inc.	Wake Tech Innovations, Inc.	Eliminations	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 4,250,456	$ 21,696	$	$ 4,272,152
Related Party Receivable	418,000		(418,000)	
Sales Tax Receivable	18,871			18,871
Investments	21,390,639			21,390,639
Pledges Receivable - Current, Net	1,361,042			1,361,042
Charitable Lead Annuity Trust - Current	205,190			205,190
Total Current Assets	27,644,198	21,696	(418,000)	27,247,894
Property and Equipment:				
Equipment		336,164		336,164
Software	128,319			128,319
Accumulated Depreciation	(128,319)	(76,037)		(204,356)
Net Property and Equipment		260,127		260,127
Other Assets:				
Pledges Receivable - Net	1,755,270			1,755,270
Land Held for Sale	564,125			564,125
Charitable Lead Annuity Trust - Net	1,058,044			1,058,044
Charitable Split Interest Annuity Trust	164,860			164,860
Investments	(29,234)		29,234	
Deferred Income Taxes		10,895		10,895
Total Other Assets	3,513,065	10,895	29,234	3,553,194
Total Assets	$ 31,157,263	$ 292,718	$ (388,766)	$ 31,061,215
LIABILITIES, EQUITY, AND NET ASSETS				
Liabilities:				
Income Taxes Payable	$	$	$	$
Accounts Payable	52,294			52,294
Related Party Accounts Payable		4,000		4,000
Liabilities under Charitable Split Interest Annuity - Current Portion	16,419			16,419
Related Party Loan		418,000	(418,000)	
Total Current Liabilities	68,713	422,000	(418,000)	72,713
Liabilities under Charitable Split Interest Annuity - Net	40,976			40,976
Total Liabilities	109,689	422,000	(418,000)	113,689
Equity:				
Retained Earnings		(129,282)	267,105	137,823
Total Equity		(129,282)	267,105	137,823
Net Assets:				
Without Donor Restrictions:				
Undesignated	4,845,166		(237,871)	4,607,295
Designated by the Board	1,550,370			1,550,370
With Donor Restrictions:				
Perpetual in Nature	15,677,130			15,677,130
Purpose Restrictions	8,974,908			8,974,908
Total Net Assets	31,047,574		(237,871)	30,809,703
Total Liabilities, Equity,and Net Assets	$ 31,157,263	$ 292,718	$ (388,766)	$ 31,061,215

WAKE TECHNICAL COMMUNITY COLLEGE FOUNDATION, INC. AND SUBSIDIARY
SCHEDULE OF CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	Wake Technical Community College Foundation, Inc.	Wake Tech Innovations, Inc.	Eliminations	Total
Support and Revenues:				
Contributions	$ 3,251,512	$	$	$ 3,251,512
Investment Earnings	2,406,049			2,406,049
Contributions of Nonfinancial Assets	3,578,089			3,578,089
Product Sales	45,078			45,078
Interest Income	90,657		(25,680)	64,977
Other Income	(16,001)		18,783	2,782
Total Support and Revenues	9,355,384		(6,897)	9,348,487
Program Expenses:				
Scholarship Support	993,356			993,356
Fostering Bright Futures	82,596			82,596
College Support	1,085,028			1,085,028
College Initiatives	2,485,818			2,485,818
General and Administrative	756,735			756,735
Fundraising	660,526			660,526
Total Expenses	6,064,059			6,064,059
Change in Net Assets	3,291,325		(6,897)	3,284,428
Sales and Revenue:				
Energy Rebate		40,785		40,785
Total Sales and Revenue		40,785		40,785
Expenses:				
Management and General		105,918	(31,680)	74,238
Total Expenses		105,918	(31,680)	74,238
Net Income Before Taxes		(65,133)	31,680	(33,453)
Income Tax Expense (Benefit)				
Net Income		(65,133)	31,680	(33,453)
Retained Earnings (Deficit), Beginning of Year		(64,149)	235,425	171,276
Retained Earnings (Deficit), End of Year		(129,282)	267,105	137,823
Net Assets, Beginning of Year	27,756,249		(230,974)	27,525,275
Net Assets, End of Year	$ 31,047,574	$	$ (237,871)	$ 30,809,703

WAKE TECHNICAL COMMUNITY COLLEGE FOUNDATION, INC. AND SUBSIDIARY
SCHEDULE OF CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2024

	Wake Technical Community College Foundation, Inc.							Wake Tech Innovations, Inc.	
	Program								
	Scholarships	Fostering Bright Futures	College Support	Program Support	Total Program	Administrative and General	Fundraising	Administrative and General	Total
Utilization of Nonfinancial Assets	$	$ 1,310	$ 472,427	$ 2,009,678	$ 2,483,415	$ 490,192	$ 613,786	$	$ 3,587,393
General Program Support		5,275	70,284	95,166	170,725	58,744			229,469
Scholarships	903,609				903,609				903,609
Student Financial Assistance and Grants	89,747	27,960			117,707				117,707
Tuition Assistance			88,418		88,418				88,418
Faculty Recognition			9,560		9,560				9,560
Event Expenses		7,778	182,940	31	190,749	467	10,944		202,160
Professional Service Contracts		1,350	69,799	63,423	134,572	33,351			167,923
Travel and Meeting Expense		195	44,798	22,724	67,717	22,576	802		91,095
Audit and Tax Compliance Fees						26,950			26,950
Support and Training			7,160	1,139	8,299	3,498			11,797
Supplies		3,509	78,558	55,434	137,501	13,691	946		152,138
Meals/Food		3,851	31,500	11,926	47,277	8,016	12,787		68,080
Repairs and Maintenance								19,494	19,494
Salaries		31,356	26,535	220,706	278,597	35,525			314,122
Dues, Subscriptions, and Memberships			2,466	4,505	6,971	60,924			67,895
Printing, Postage, and Publications		12	112	227	351	2,381			2,732
Donor Recognition			471	240	711		13,801		14,512
Bad Debt Expense, Net						(8,000)			(8,000)
Banking Fees							7,460	285	7,745
Rent Expense								4,000	4,000
Depreciation								48,023	48,023
Other				619	619	8,420		2,436	11,475
	$ 993,356	$ 82,596	$ 1,085,028	$ 2,485,818	$ 4,646,798	$ 756,735	$ 660,526	$ 74,238	$ 6,138,297