

LOWER COLUMBIA COLLEGE FOUNDATION

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT**

June 30, 2016 and 2015

LOWER COLUMBIA COLLEGE FOUNDATION

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Independent Auditors' Report

To the Board of Directors of
LOWER COLUMBIA COLLEGE FOUNDATION

We have audited the accompanying financial statements of Lower Columbia College Foundation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lower Columbia College Foundation as of June 30, 2016, 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.

Prior Year Information Audited by Predecessor Auditor

The financial statements of Lower Columbia College Foundation as of June 30, 2015 were audited by other auditors whose report dated December 10, 2015 expressed an unmodified audit opinion on those financial statements. The summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent in all material respects with the audited financial statements from which it was derived.

GL Booth · JG Davis & Associates, PLLC

GL Booth · JG Davis & Associates, PLLC
Longview, Washington
February 16, 2017

LOWER COLUMBIA COLLEGE FOUNDATION

STATEMENT OF FINANCIAL POSITION

June 30, 2016

(With Comparative Totals For the Year Ended June 30, 2015)

	Assets	
	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and cash equivalents	\$ 1,293,026	\$ 660,978
Marketable securities	12,329,076	13,555,286
Pledges receivable	85,727	100,280
Prepaid expenses	941	1,193
Fixtures and equipment	22,900	24,500
Land held for sale	260,900	-
	<u>\$ 13,992,570</u>	<u>\$ 14,342,237</u>
Liabilities and Net Assets		
LIABILITIES		
Accrued expenses	\$ 57,388	\$ 42,233
Amounts held in trust for Lower Columbia College	77,558	69,109
Annuity payment liability	2,843	3,484
	<u>137,789</u>	<u>114,826</u>
NET ASSETS		
Unrestricted	3,000,148	2,922,303
Temporarily restricted	3,082,381	3,797,974
Permanently restricted	7,772,252	7,507,134
	<u>13,854,781</u>	<u>14,227,411</u>
	<u>\$ 13,992,570</u>	<u>\$ 14,342,237</u>

The accompanying notes are an integral part of these financial statements.

LOWER COLUMBIA COLLEGE FOUNDATION

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

(With Comparative Totals For the Year Ended June 30, 2015)

	<u>Unrestricted</u> <u>Net Assets</u>	<u>Temporarily</u> <u>Restricted</u> <u>Net Assets</u>	<u>Permanently</u> <u>Restricted</u> <u>Net Assets</u>	<u>Combined Total</u>	
				<u>2016</u>	<u>2015</u>
REVENUES, GAINS AND OTHER SUPPORT					
Contributions	\$ 649,796	\$ 339,696	\$ 255,562	\$ 1,245,054	\$ 850,035
Investment earnings (losses)	(47,565)	(112,310)	65	(159,810)	(28,633)
Other revenues and gains	(278)	2,423	-	2,145	3,540
In-kind contributions	18,000	-	-	18,000	18,000
Impairment of land value	(142,189)	-	-	(142,189)	-
Reclassifications of net assets					
Satisfaction of program restrictions	771,600	(771,600)	-	-	-
Interfund transfer	164,311	(173,802)	9,491	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues, gains and other support	1,413,675	(715,593)	265,118	963,200	842,942
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
EXPENSES					
Program services	977,158	-	-	977,158	1,090,864
General and administrative expenses	233,409	-	-	233,409	204,438
Fund raising expenses	125,263	-	-	125,263	170,426
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	1,335,830	-	-	1,335,830	1,465,728
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
CHANGE IN NET ASSETS	77,845	(715,593)	265,118	(372,630)	(622,786)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS, beginning of year	2,922,303	3,797,974	7,507,134	14,227,411	14,850,197
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS, end of year	<u>\$ 3,000,148</u>	<u>\$ 3,082,381</u>	<u>\$ 7,772,252</u>	<u>\$ 13,854,781</u>	<u>\$ 14,227,411</u>

The accompanying notes are an integral part of these financial statements.

LOWER COLUMBIA COLLEGE FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2016
(With Comparative Totals For the Year Ended June 30, 2015)

	<u>Program</u> <u>Services</u>	<u>General</u> <u>and</u> <u>Administrative</u>	<u>Fund</u> <u>Raising</u>	<u>Combined Total</u>	
				<u>2016</u>	<u>2015</u>
Scholarships	\$ 282,175	\$ -	\$ -	\$ 282,175	\$ 262,773
Grants	88,654	-	-	88,654	94,323
Program support	472,740	-	-	472,740	611,717
Equipment contributed to LCC	10,133	-	-	10,133	10,411
Salaries	79,905	177,502	93,373	350,780	317,759
Other administrative expenses	39,051	9,763	400	49,214	45,713
Major gift campaign	-	-	-	-	36,298
Donor recognition	-	-	28,430	28,430	44,424
In-kind rent expense	4,500	10,440	3,060	18,000	18,000
Professional services	-	12,500	-	12,500	12,000
Software	-	17,566	-	17,566	8,243
Insurance	-	3,538	-	3,538	2,917
Depreciation	-	2,100	-	2,100	1,150
	<u>\$ 977,158</u>	<u>\$ 233,409</u>	<u>\$ 125,263</u>	<u>\$ 1,335,830</u>	<u>\$ 1,465,728</u>

The accompanying notes are an integral part of these financial statements.

LOWER COLUMBIA COLLEGE FOUNDATION

STATEMENTS OF CASH FLOWS

**For the Year Ended June 30, 2016
(With Comparative Totals For the Year Ended June 30, 2015)**

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (372,630)	\$ (622,786)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	2,100	1,150
Investment gains	97,112	(30,311)
Loss on sale of assets	53,084	2,800
In-kind contributions received	(512,500)	(12,500)
Restricted contributions to endowment	(265,118)	-
Impairment of land value	142,189	-
Donated securities received	(47,226)	(26,025)
(Increase) decrease in assets:		
Pledges receivable	14,553	(14,370)
Prepaid expenses	252	(447)
Increase (decrease) in liabilities:		
Accrued expenses	15,155	(20,742)
Amounts held in trust for Lower Columbia College	8,449	7,739
Charitable gift annuity payable	(641)	(182)
	<u>(865,221)</u>	<u>(715,674)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of land	63,916	-
Improvement to land held for sale	(8,089)	-
Additions to investment accounts	(825,666)	(7,769,581)
Withdrawals from investment accounts	2,001,990	8,627,901
	<u>1,232,151</u>	<u>858,320</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for long term purposes	265,118	-
	<u>265,118</u>	<u>-</u>
NET INCREASE IN CASH	632,048	142,646
CASH, beginning of year	<u>660,978</u>	<u>518,332</u>
CASH, end of year	<u>\$ 1,293,026</u>	<u>\$ 660,978</u>

The accompanying notes are an integral part of these financial statements.

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The Lower Columbia College Foundation (“the Foundation”), a not-for-profit corporation established in the state of Washington, operates in support of Lower Columbia College. The Foundation is dedicated to providing a conduit for private support of the College through scholarship endowments, program grants, and similar types of support. The following is a summary of the significant accounting principles applied by management in the preparation of these financial statements.

Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they 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 any related investments for general or specific purposes. The Foundation requires a minimum contribution of \$20,000 to establish a new endowment fund. As donor contributions toward endowments are received, they are classified as temporarily restricted contributions until the donor meets the \$20,000 threshold. At that time, the fund’s balance is reclassified as permanently restricted.

Contributions

Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Fixtures and Equipment

The Foundation accepts contributions of non-cash items in the form of real and personal property. Carrying values are generally determined by the donor's estimate of fair market value at the time of the gift. If no value is provided, the Foundation estimates the fair market value using available information. At the financial statement date, donated fixtures and equipment consisted of various vehicles. The Foundation has granted Lower Columbia College the right to use the equipment items as teaching aids as applicable. Items used as teaching aids are depreciated using the straight-line method over the estimated useful lives of the related assets. Upon disposition of the equipment, proceeds are distributed to the college for use in various programs and in accordance with the intent of the donor. Historical items and vehicles held for resale are not depreciated by the Foundation.

Income Taxes

The Foundation is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and therefore has made no provision for federal income taxes. In addition, the Foundation has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. Generally, the Foundation's tax returns remain open for three years for federal tax examinations.

Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all unrestricted cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. The majority of the Foundation's cash is held in investment accounts.

Investments

Investments are recorded at fair value. Investment securities, in general, are exposed to various risks such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based on the markets' fluctuations, and that such changes could materially affect the amounts reported in the statement of activities and investment portfolio on the balance sheet.

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require 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 revenue and expenses reported during the period. Actual results could differ from those estimates.

Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2015, from which the summarized information was derived.

2. CONCENTRATIONS OF CREDIT RISK

The Foundation maintains cash balances at several financial institutions. The Foundation's cash accounts held at banking institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 each. The Foundation's investment accounts also contain a cash component. These investment accounts are insured up to \$500,000 by the Securities Investor Protection Corporation (SIPC). The Foundation's investment balances exceed the SIPC limit.

3. MARKETABLE SECURITIES

Marketable securities held by brokers are carried at their fair market value as determined by the quoted prices on active markets at the financial statement date. Changes in market value are recognized in the period that they occur. The following are the major classes of available-for-sale securities held by the Foundation:

	<u>2016</u>	<u>2015</u>
Mutual funds:		
Domestic equities	\$ 5,430,587	\$ 5,263,297
Domestic fixed income	4,588,399	4,427,315
International equities	2,307,191	2,472,100
International fixed income	1,883	712,288
Alternative investments	<u>1,016</u>	<u>680,286</u>
	<u>\$ 12,329,076</u>	<u>\$ 13,555,286</u>

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

4. PLEDGES RECEIVABLE

Pledges receivable at June 30, 2016, consist of unconditional promises to give to the Foundation which will be temporarily and permanently restricted for various programs.

Receivable in less than one year, net of \$1,129 allowance for uncollectible pledges	\$ 55,314
Receivable in one to five years, net of \$691 allowance for uncollectible pledges	<u>33,870</u>
	89,184
Less amortized discount at 4%	<u>(3,457)</u>
Net pledges receivable	<u>\$ 85,727</u>

5. FIXTURES AND EQUIPMENT

The following is a summary of equipment used as teaching aids:

	<u>2016</u>	<u>2015</u>
Vehicles held for resale	\$ 9,000	\$ 8,500
Equipment used in teaching (net of accumulated depreciation of \$41,580 and \$39,480)	<u>13,900</u>	<u>16,000</u>
	<u>\$ 22,900</u>	<u>\$ 24,500</u>

6. DONATED LAND

During the year ended June 30, 2016, land was donated to Lower Columbia College Foundation without restrictions and to be used for program service activities. The property consisted of five parcels and was recorded at the fair market value at the time of donation, \$510,000, based on the valuation performed by an independent certified appraiser. One of the parcels was sold during the year ended June 30, 2016 for less than its recorded value of \$115,000. A \$51,084 loss on sale is reported in the June 30, 2016 statement of activities. Additionally, during land clearing undertaken by the Foundation to better market the property, it was discovered that much of the land was less suitable for building than expected. As a result, the Foundation recorded an impairment loss of \$142,149 which is shown as such on the statement of activities. The fair market value of land held for sale as of June 30, 2016 is \$260,900.

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

7. CHARITABLE GIFT ANNUITIES

The Foundation has entered into charitable gift annuity agreements whereby the donor contributes assets in exchange for distributions over a specified period of time to the donor or other beneficiaries. At the end of the specified time, the remaining assets are available for the Foundation's use. Assets received are recorded at fair value on the date the agreement is recognized, and a liability equal to the present value of the future distributions is recorded. The difference between the fair value of the assets received and the liability to the donor or other beneficiaries is recognized as contribution revenue. On an annual basis, the Foundation revalues the liability based on applicable mortality tables and a discount rate of 5.25%. The actuarially-estimated liability (\$4,048 at June 30, 2016) is required by the State of Washington to be held in reserve and has been invested in cash funds and government securities. The Foundation estimated the actual gift annuity liability to be \$2,843 at June 30, 2016.

8. IN-KIND CONTRIBUTIONS

The Foundation has an agreement with Lower Columbia College to seek to accrue contributions, gifts, bequests, etc. for the benefit of the college and to provide management of those resources. In exchange, the Foundation receives office space and services required for its operations. These items are recorded as in-kind contributions and in-kind rent expense in the Foundation's financial statements.

9. INVESTMENT EARNINGS

The details of investment earnings are as follows:

	<u>2016</u>	<u>2015</u>
Interest and dividends	\$ 287,165	\$ 213,698
Investment gain (loss)	(383,827)	(183,545)
Investment management expenses	<u>(63,148)</u>	<u>(58,786)</u>
	<u>\$ (159,810)</u>	<u>\$ (28,633)</u>

10. FUTURE INTERESTS

The Foundation has been named as a beneficiary in the wills of eighteen known donors. These bequests generally specify percentages of the donors' estates, the values of which are not known to the Foundation. Due to their uncertain nature, these amounts are not reflected in the financial statements.

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

11. NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2016</u>	<u>2015</u>
Student services	\$ 971,936	\$ 1,120,115
Exceptional faculty award	611,231	705,984
Instruction	554,577	880,614
Facilities	773	1,335
Resource development	124,910	60,833
Campaign	<u>818,954</u>	<u>1,029,093</u>
 Total temporarily restricted net assets	 <u>3,082,381</u>	 <u>3,797,974</u>

Permanently restricted net assets are restricted to investment in perpetuity, the income from which is expendable to support the following purposes:

Student services	3,012,334	2,752,470
Exceptional faculty award	650,800	650,800
Instruction	3,889,118	3,888,864
Resource development	<u>220,000</u>	<u>215,000</u>
 Total permanently restricted net assets	 <u>7,772,252</u>	 <u>7,507,134</u>
 Total unrestricted net assets	 <u>3,000,148</u>	 <u>2,922,302</u>
 Total net assets	 <u>\$ 13,854,781</u>	 <u>\$ 14,227,410</u>

12. EXCEPTIONAL FACULTY AWARDS

The State of Washington has provided funds to community colleges and their foundations that can be used to provide financial awards to deserving faculty members. These grants require that a matching amount be provided by the college or foundation. The Foundation has accepted state grants toward this purpose, and the board of directors has designated \$649,224 of unrestricted and temporarily restricted net assets to be used to match the state grants. The total funds designated or permanently restricted for exceptional faculty awards are shown below:

Designated funds:	
Unrestricted	\$ 399,224
Temporarily restricted	250,000
Permanently restricted by the state of Washington	650,000
Permanently restricted by other donors	<u>800</u>
	<u>\$ 1,300,024</u>

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

13. ENDOWMENT FUNDS

In accordance with relevant state law as interpreted by the Foundation's board of directors, net assets associated with endowment funds are classified as unrestricted, temporarily restricted and permanently restricted based on the existence or absence of donor-imposed restrictions. Unrestricted net assets include board-designated funds, and any accumulated income and appreciation thereon. Temporarily restricted assets include contributions to endowments that do not meet the minimum \$20,000 threshold and accumulated appreciation on temporarily and permanently restricted funds. Permanently restricted net assets include contributions designated by donors to be invested in perpetuity to produce income for specific purposes.

The Foundation's endowment spending policy aims to preserve the purchasing power of the endowment. Four percent of a three-year rolling average of the value of the endowment may be used to support the fund's purpose for the following academic year. An additional 2% may be transferred to the operating fund for an administrative fee. No assets shall be appropriated for spending whenever the current value of an endowment gift is less than the historic gift amount.

The performance objective is to preserve and enhance the purchasing and earning power of the funds by seeking an annual real rate of return of 4% or total return of Consumer Price Index plus 4%. This objective shall be measured over the long term, 10-15 year time frame, with the intent to preserve over time the principal value of the assets as measured in real inflation adjusted terms. To achieve its long-term rate of return objectives, the Foundation relies on an active strategic asset allocation strategy. Total return is achieved through both capital appreciation and current yield. Investments are diversified among mutual funds comprised of U.S. and international issues, including equities, bonds, multi asset pooled portfolios and alternative investments.

Endowment funds were comprised of the following net asset types at June 30, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted funds	\$ —	\$ 1,532,501	\$ 7,772,252	\$ 9,304,753
Board-designated funds	<u>439,224</u>	<u>250,000</u>	<u>—</u>	<u>689,224</u>
	<u>\$ 439,224</u>	<u>\$ 1,782,501</u>	<u>\$ 7,772,252</u>	<u>\$ 9,993,977</u>

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

13. ENDOWMENT FUNDS, Continued

Changes in endowment funds for the year ended June 30, 2016 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 438,454	\$ 2,417,362	\$ 7,507,134	\$ 10,362,950
Investment return (loss)	–	(118,504)	65	(118,439)
Contributions	–	895	255,562	256,457
Appropriated for expenditure	(22,673)	(440,239)	–	(462,912)
Donor funds transferred to endowments	<u>23,443</u>	<u>(77,013)</u>	<u>9,491</u>	<u>(44,079)</u>
	<u>\$ 439,224</u>	<u>\$ 1,782,501</u>	<u>\$ 7,772,252</u>	<u>\$ 9,993,977</u>

14. FAIR VALUE MEASUREMENT

The Foundation applies the authoritative guidance for Fair Value Measurements and Disclosures, which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The standard describes three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets or liabilities.
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

LOWER COLUMBIA COLLEGE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

14. FAIR VALUE MEASUREMENT, Continued

The following table presents the assets that are measured at fair value on a recurring basis as of June 30, 2016 and are categorized using the three levels of the fair value hierarchy:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments	\$ 12,329,076	\$ 12,329,076	\$ –	\$ –
Land held for sale	<u>260,900</u>	<u>–</u>	<u>260,900</u>	<u>–</u>
	<u>\$ 12,589,976</u>	<u>\$ 12,329,076</u>	<u>\$ 260,900</u>	<u>\$ –</u>

The following methods and assumptions were used to estimate the value of each class of financial instrument for which it is practicable to estimate that value.

<u>Financial Instrument</u>	<u>Valuation Methods and Assumptions</u>
Investments	Valued at the net asset value of shares held at year end
Land held for sale	Valued by a certified appraiser and by a real estate professional

While the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

15. SUBSEQUENT EVENTS

Management has evaluated events through the audit report date, the date the financial statements were available to be issued, and determined that no events have occurred that require disclosure.