Kirkwood Community College Foundation
Cedar Rapids, Iowa

FINANCIAL REPORT

June 30, 2026 and 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Kirkwood Community College Foundation
Cedar Rapids, Iowa

Opinion

We have audited the accompanying financial statements of Kirkwood Community College Foundation, a component unit of Kirkwood Community College, which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, functional expenses, and cash flows for the years 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 Kirkwood Community College Foundation as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Kirkwood Community College Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Kirkwood Community College 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 Kirkwood Community College 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 Kirkwood Community College 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.

Denman CPA LLP

Denman CPA LLP

West Des Moines, Iowa
September 29, 2026

Kirkwood Community College Foundation
STATEMENTS OF FINANCIAL POSITION

	June 30 2026	June 30 2025
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 7,420,438	$ 3,628,116
Pledges receivable, current	591,751	57,500
Prepaid expenses	53,387	49,824
Total current assets	8,065,576	3,735,440
INVESTMENTS AND LONG-TERM ASSETS		
Pledges receivable, at present value, less allowance for uncollectible pledges	2,941,311	1,736,300
Investments	90,203,547	77,122,016
Cash value of life insurance	406,278	401,470
Beneficial interests	23,262	20,327
Total investments and long-term assets	93,574,398	79,280,113
Total assets	$101,639,974	$ 83,015,553
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 431	$ 20,860
Due to Kirkwood Community College	231,667	225,166
Due to KCCK-FM Radio	2,473,266	1,493,307
Due to other agencies	2,205,610	1,953,151
Due to Kirkwood Facilities Foundation	1,274,751	1,094,019
Current portion of annuities payable	4,800	5,100
Total current liabilities	6,190,525	4,791,603
ANNUITIES PAYABLE, less current portion	12,000	12,500
Total liabilities	6,202,525	4,804,103
NET ASSETS		
Net assets without donor restrictions		
Undesignated	32,889,459	26,429,727
Donor advised for endowment	57,209,640	49,021,998
Board designated for endowment	2,904,093	2,610,851
Total net assets without donor restrictions	93,003,192	78,062,576
Net assets with donor restrictions	2,434,257	148,874
Total net assets	95,437,449	78,211,450
Total liabilities and net assets	$101,639,974	$ 83,015,553

See Notes to Financial Statements.

Kirkwood Community College Foundation
STATEMENTS OF ACTIVITIES

	Year ended June 30, 2026			Year ended June 30, 2025		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
SUPPORT AND REVENUES						
Contributions, pledges and cash, net	$ 1,937,284	$ 3,583,655	$ 5,520,939	$ 993,305	$ 133,450	$ 1,126,755
Nonmonetary contributions	40,970	–	40,970	35,831	–	35,831
Contributed services from Kirkwood Community College	1,174,009	–	1,174,009	1,141,562	–	1,141,562
Contributions from Kirkwood Community College	1,325,820	–	1,325,820	1,215,782	–	1,215,782
Contributions to donor advised for endowment	2,456,225	–	2,456,225	3,106,092	–	3,106,092
Investment return	12,261,915	–	12,261,915	7,576,376	–	7,576,376
Actuarial adjustment to annuities payable	(3,975)	–	(3,975)	(4,100)	–	(4,100)
Other, primarily special event fundraisers	29,748	–	29,748	25,515	–	25,515
Net assets released from restrictions	1,298,272	(1,298,272)	–	179,145	(179,145)	–
Total support and revenues	20,520,268	2,285,383	22,805,651	14,269,508	(45,695)	14,223,813
EXPENSES						
Program services	4,714,584	–	4,714,584	4,452,029	–	4,452,029
Supporting services						
Management and general	498,383	–	498,383	487,747	–	487,747
Fundraising	366,685	–	366,685	352,277	–	352,277
Total supporting services	865,068	–	865,068	840,024	–	840,024
Total expenses	5,579,652	–	5,579,652	5,292,053	–	5,292,053
CHANGE IN NET ASSETS	14,940,616	2,285,383	17,225,999	8,977,455	(45,695)	8,931,760
TRANSFER TO KIRKWOOD FACILITIES FOUNDATION	–	–	–	(1,177,432)	–	(1,177,432)
NET ASSETS						
Beginning	78,062,576	148,874	78,211,450	70,262,553	194,569	70,457,122
Ending	$ 93,003,192	$ 2,434,257	$ 95,437,449	$ 78,062,576	$ 148,874	$ 78,211,450

See Notes to Financial Statements.

Kirkwood Community College Foundation
STATEMENTS OF FUNCTIONAL EXPENSES

	Year ended June 30, 2026				Year ended June 30, 2025			
		Supporting Services				Supporting Services		
	Program services	Management and general	Fundraising	Total	Program services	Management and general	Fundraising	Total
Grants and other assistance	$ 4,424,071	$ –	$ –	$ 4,424,071	$ 4,167,981	$ –	$ –	$ 4,167,981
Salaries and wages	218,690	258,384	122,889	599,963	211,766	250,203	119,308	581,277
Employee benefits	59,014	78,428	17,408	154,850	59,275	78,774	18,048	156,097
Professional services	–	17,500	26,950	44,450	–	15,800	30,382	46,182
Advertising and promotion	–	8,129	–	8,129	–	5,063	–	5,063
Office expenses	–	1,176	72,920	74,096	–	1,150	61,468	62,618
Information technology	–	63,371	6,781	70,152	–	59,361	6,148	65,509
Occupancy	12,809	12,809	12,808	38,426	13,007	13,007	13,008	39,022
Travel	–	2,207	2,207	4,414	–	2,603	2,602	5,205
Conferences, conventions, and meetings	–	4,249	250	4,499	–	3,587	1,074	4,661
Other expense	–	52,130	104,472	156,602	–	58,199	100,239	158,438
Total expenses	$ 4,714,584	$ 498,383	$ 366,685	$ 5,579,652	$ 4,452,029	$ 487,747	$ 352,277	$ 5,292,053

See Notes to Financial Statements.

Kirkwood Community College Foundation
STATEMENTS OF CASH FLOWS

	Year ended June 30	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 17,225,999	$ 8,931,760
Adjustments to reconcile change in net assets to net cash from operating activities		
Interest, dividends, and capital gains reinvested	(1,870,301)	(1,597,968)
Net (appreciation) in fair value of investments	(10,517,220)	(6,178,235)
Actuarial adjustment to annuities payable	3,975	4,100
Changes in assets and liabilities		
Pledges receivable	(1,739,262)	(1,711,200)
Prepaid expenses	(3,563)	(2,477)
Accounts payable	(20,429)	1,264
Due to related entities	986,460	211,996
Due to other agencies	(62,135)	(221,636)
Net cash from operating activities	4,003,524	(562,396)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(4,064,452)	(5,520,095)
Proceeds from sale of investments	3,862,833	4,550,427
Change in cash value of life insurance	(4,808)	(27,106)
Net cash from investing activities	(206,427)	(996,774)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on annuities, net	(4,775)	(5,100)
Net cash from financing activities	(4,775)	(5,100)
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,792,322	(1,564,270)
CASH AND CASH EQUIVALENTS		
Beginning	3,628,116	5,192,386
Ending	$ 7,420,438	$ 3,628,116

See Notes to Financial Statements.

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Kirkwood Community College Foundation (the Foundation), a component unit of Kirkwood Community College, is a nonprofit organization formed in 1969 for the purpose of maintaining, developing, and extending its facilities and services for the benefit of Kirkwood Community College (the College), a separate entity. The Foundation is organized and operates exclusively for charitable, scientific, and educational purposes to provide broader educational service opportunities to the College's students, staff, faculty, and residents of the geographic area it serves.

Basis of Presentation

In accordance with the Not-for-Profit Entities Topic of the *FASB Accounting Standards Codification*, the Foundation reports information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions are those assets which are not restricted by donor-imposed stipulations and represent the portion of expendable assets available for support of operations. The Foundation may designate portions of net assets without donor restrictions as board designated for various purposes. The donor agreements used by the Foundation and the Foundation's bylaws contain a variance power provision, which results in the Foundation having the unilateral power to override a donor's instruction without approval of the donor.

Net assets with donor restrictions represent contributions or other inflows of assets whose use by the Foundation is limited by donor-imposed stipulations. As donor-imposed stipulations expire, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the statements of activities as net assets released from restriction.

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, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no provision for taxes has been made in the Foundation's accounts. The Foundation is required to pay income taxes on any net income of activities unrelated to its exempt purpose.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability (or asset) for an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has evaluated their material tax positions and determined there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Foundation is subject to routine audits by tax authorities, however, there are currently no audits for any tax periods in progress. Management believes the Foundation is no longer subject to income tax examinations for years ended prior to June 30, 2023.

Cash and Cash Equivalents

The Foundation excludes money market accounts held for long-term investment in its definition of cash and cash equivalents. At times, the Foundation maintains cash balances that exceed the maximum amount insured by the Federal Deposit Insurance Corporation. Management believes the credit risk related to the uninsured balance is minimal.

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Pledges Receivable and Revenue Recognition

Pledges receivable (unconditional promises to give) are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give, that is, those contributions with a material performance or other barrier and a right of return, are not recognized as revenue until the donor's conditions are substantially met.

Contributions to be received after one year are discounted at a discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue.

An allowance for uncollectible pledges receivable is provided based on management's judgment, including factors such as prior collection history, type of contribution, and nature of fundraising activity.

Contributions are recorded as without donor restrictions, or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions.

Nonmonetary Contributions and Contributed Services

The Foundation receives contributions of nonmonetary assets, art objects, equipment, supplies, and various services for the direct benefit of the College. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals with those skills, and would otherwise be purchased by the Foundation. Nonmonetary contributions are recorded at fair value at the date of the contribution and are recognized as nonmonetary contributions and grants and other assistance expense. Fair value is primarily determined based on appraised values from third-party appraisers or current values of comparable items. The donors receive recognition from the Foundation for such contributions. These items are transferred to the College upon receipt. Nonmonetary contributions for the year ended June 30, 2026 included $3,000 of aircraft, aviation, and autobody parts and supplies and $37,970 of other equipment and supplies. Nonmonetary contributions for the year ended June 30, 2025 included $4,999 of aircraft, aviation, and autobody parts and supplies, $3,500 of artwork, and $27,332 of other equipment and supplies.

Contributed services from the College include services that enhance nonfinancial assets and require specialized skills that are provided by individuals at the College with those specialized skills, primarily related to salaries and other operating support. The Foundation recognized contributed services from the College for the years ended June 30, 2026 and 2025 in the amount of $1,174,009 and $1,141,562, respectively, with corresponding expense recognized as discussed in Note 6.

Investments

Investments are recorded at fair value, which is the price that would be received to sell the investment in an orderly transaction at the statement of financial position date, in the statements of financial position. Realized and unrealized gains and losses, which are determined by the specific-identification method, are included in investment return in the accompanying statements of activities. Interest and dividends are recognized as revenue when earned and are included in investment return in the accompanying statements of activities.

Endowed investment assets are pooled on a market value basis, with each individual fund receiving a share of the total pool's investment activity for the month based on the balance of the endowment on the first day of that month.

Beneficial Interests

The Foundation has funds held on its behalf by local community foundations. Because the local community foundations hold variance power over the funds, these investments are not recorded by the Foundation. However, for two of these funds, the investment return is not restricted and does belong to the Foundation. Assets of $23,262 and $20,327 as of June 30, 2026 and 2025, respectively, were recognized by the Foundation related to these funds.

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Due to Other Agencies

The Foundation acts as an agent for certain unrelated organizations. The total amount of funds held on behalf of these organizations has been reflected in investments as an asset and in due to other agencies as a liability on the statements of financial position.

Due to Kirkwood Facilities Foundation and Transfer to Kirkwood Facilities Foundation

As of June 30, 2024, the Foundation had board designated net assets in the amount of $1,177,432 for Kirkwood Facilities Foundation (Facilities Foundation). During the year ended June 30, 2025, an agreement was entered into with the Facilities Foundation that established an agency relationship between the Facilities Foundation and the Foundation, effectively transferring control of those board designated net assets back to the Facilities Foundation and making the Foundation an agent for the Facilities Foundation. As a result of this agreement, board designated net assets in the amount of $1,177,432 were transferred to a due to Kirkwood Facilities Foundation account during 2025. The balance of the due to Kirkwood Facilities Foundation account was $1,274,751 and $1,094,019 at June 30, 2026 and 2025, respectively.

Annuities Payable

The Foundation has received gifts from various individuals under annuity agreements (life income agreements). Annuities payable to beneficiaries are reportable as a liability at the present value of the estimated future payments to be distributed over the beneficiaries' lives. The Foundation recalculates the present value of these payments through the use of discount rates and Internal Revenue Service (IRS) life expectancy tables. The present value of these payments is included in the financial statements using discount rates ranging from 6.6% to 8.0%. The annuities payable will be paid from investment earnings.

Allocation of Functional Expenses

The Foundation allocates its expenses on a functional basis among its program and supporting activities. Expenses that can be identified with a specific program are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by time spent and effort.

NOTE 2 PLEDGES RECEIVABLE

Pledges receivable consist of the following:

	June 30	
	2026	2025
Endowed pledges	$ 1,835,514	$ 2,071,000
Nonendowed pledges	704,730	41,500
Agency pledges	1,324,318	–
Gross pledges	3,864,562	2,112,500
Less: discount to present value (at rates ranging from 3.6% to 5.6%)	(258,000)	(277,000)
Less: allowance for uncollectible pledges	(73,500)	(41,700)
Pledges receivable, net	$ 3,533,062	$ 1,793,800
Amounts due in		
Less than one year	$ 591,751	$ 57,500
One to five years	3,272,811	2,055,000
Total	$ 3,864,562	$ 2,112,500

NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments consist of the following:

	June 30 2026	June 30 2025
Money market funds	$ 620,877	$ 1,618,247
Mutual funds, fixed income	21,130,889	20,114,184
Mutual funds, equity	57,895,152	48,138,525
Private equity fund	3,857,961	3,101,829
Limited partnership funds	6,698,668	4,149,231
Total investments	90,203,547	77,122,016
Beneficial interests	23,262	20,327
Total	$ 90,226,809	$ 77,142,343

Investment return is as follows:

	June 30 2026	June 30 2025
Interest and dividends	$ 1,847,736	$ 1,469,175
Net unrealized gains	8,733,824	4,976,742
Net realized gains	1,783,396	1,201,493
Investment management fees	(102,828)	(93,114)
Change in cash surrender value of life insurance, net	(213)	22,080
Total investment return	$ 12,261,915	$ 7,576,376

Fair Value Measurements

The Foundation follows the Fair Value Measurements and Disclosures Topic of the *FASB Accounting Standards Codification*, which establishes a framework for measuring fair value and expands disclosures about fair value measurement. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are generally available indirect information, such as quoted prices for identical or similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active. Level 3 inputs are the most subjective, are generally based on management's own assumptions on how knowledgeable parties would price assets or liabilities and are developed using the best information available in the circumstances.

Following is a description of the valuation methodologies used for the Foundation's assets measured at fair value on a recurring basis. There have been no changes in the valuation methodologies used at June 30, 2026 and 2025.

Money market funds and mutual funds – The fair value of money market funds and mutual funds is based on unadjusted quoted prices in active markets for identical securities.

Private equity fund – This fund invests in marketable equity securities that are all exchange traded in the United States of America. The fund can be redeemed at net asset value (NAV) per share based on the fair value of the fund's securities and other assets, less liabilities at the close of business on any day the New York Stock Exchange is open. The fair value of this investment has been estimated using the NAV per share of the investment provided by the fund manager.

Limited partnership funds – The limited partnership funds are venture capital funds. The underlying limited partnerships are registered with the Securities and Exchange Commission. The fair value of these investments has been estimated using the net asset value per share of the investment provided by the fund manager.

Beneficial interests – The beneficial interests are valued at the Foundation's pro rata share of the community foundation's investment pool. The unobservable inputs are the underlying assets at the community foundation and follow their investment policy.

NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

Fair Value Measurements (continued)

The following tables provide information regarding the fair value hierarchy of the Foundation's assets measured at fair value on a recurring basis at June 30, 2026 and 2025:

	June 30, 2026			
Description	Level 1	Level 2	Level 3	Total
Money market funds	$ 620,877	$ –	$ –	$ 620,877
Mutual funds, fixed income				
Intermediate bond	21,130,889	–	–	21,130,889
Mutual funds, equity				
Global growth	12,611,901	–	–	12,611,901
Large blend	22,014,116	–	–	22,014,116
Small-cap value	4,228,395	–	–	4,228,395
International	14,881,002	–	–	14,881,002
World allocation	4,159,738	–	–	4,159,738
Total mutual funds, equity	57,895,152	–	–	57,895,152
Beneficial interests	–	–	23,262	23,262
Total	$79,646,918	$ –	$ 23,262	79,670,180
Funds measured at net asset value (1)				10,556,629
Total assets measured at fair value				$90,226,809

	June 30, 2025			
Description	Level 1	Level 2	Level 3	Total
Money market funds	$ 1,618,247	$ –	$ –	$ 1,618,247
Mutual funds, fixed income				
Intermediate bond	20,114,184	–	–	20,114,184
Mutual funds, equity				
Global growth	11,076,507	–	–	11,076,507
Large blend	18,617,169	–	–	18,617,169
Small-cap value	2,986,720	–	–	2,986,720
International	11,911,615	–	–	11,911,615
World allocation	3,546,514	–	–	3,546,514
Total mutual funds, equity	48,138,525	–	–	48,138,525
Beneficial interests	–	–	20,327	20,327
Total	$69,870,956	$ –	$ 20,327	69,891,283
Funds measured at net asset value (1)				7,251,060
Total assets measured at fair value				$77,142,343

(1) Certain investments that are measured at net asset value per share, or its equivalent, have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

There were no transfers between levels during the years ended June 30, 2026 and 2025.

NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

Fair Value Measurements (continued)

The following table provides additional information about assets measured at fair value on a recurring basis for which the Foundation has utilized Level 3 inputs to determine fair value at June 30, 2026 and 2025:

	June 30 2026	June 30 2025
Balance, beginning of year	$ 20,327	$ 19,160
Distributions	–	(517)
Investment return	2,935	1,684
Balance, end of year	$ 23,262	$ 20,327

The following table sets forth additional disclosure of the Foundation's investments whose fair value is estimated using net asset value per share (or its equivalent) as of June 30, 2026 and 2025:

	Fair value as of June 30 2026	Fair value as of June 30 2025	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
Private equity fund	$ 3,857,961	$ 3,101,829	None	Daily	Same Day
Limited partnership funds	6,698,668	4,149,231	None	Daily	None
Total	$10,556,629	$ 7,251,060			

NOTE 4 ENDOWMENT

The Foundation's endowment is pooled amongst all investments, which are established for a variety of purposes. Its endowment includes only funds designated as endowment by the Board of Directors. The Foundation has a policy within the endowment gift agreements that provides for a variance power. This power gives the Foundation the power to use the funds, if necessary, at their discretion. Because of this, all of the endowment, and the activity within the endowment, is reported as without donor restrictions in the statements of financial position and activities. The state of Iowa, as well as the Foundation, follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA). In accordance with UPMIFA, the Foundation appropriates for expenditure a portion of the endowment for operational purposes, as considered to be prudent, for the purpose for which the endowment was established. The Board of Directors of the Foundation has interpreted UPMIFA as requiring consideration of the following factors, if relevant, in making a determination to appropriate or accumulate donor advised endowment funds:

(1) the duration and preservation of the fund;
(2) the purpose of the fund;
(3) general economic conditions;
(4) the possible effect of inflation or deflation;
(5) the expected total return from income and the appreciation of investments;
(6) other resources of the Foundation; and
(7) the investment policies of the Foundation.

The Foundation has implemented a spending policy goal of up to 5% of a three-year (12-quarter) rolling average of the market value of each endowment fund. Spendable amounts from endowed funds will be calculated as soon as is practical after March 31 to allow scholarship budgeting for the following academic year. Once the scholarship budget is approved by the Foundation's executive committee, the spendable amount will be considered to be available for scholarship awards through June 30 of the following year.

NOTE 4 ENDOWMENT (continued)

Endowment net assets are reported with net assets without donor restrictions on the statements of financial position as of June 30, 2026 and 2025 as follows:

	June 30 2026	June 30 2025
Donor advised for endowment	$ 57,209,640	$ 49,021,998
Board designated for endowment	2,904,093	2,610,851
Total endowment	$ 60,113,733	$ 51,632,849

A summary of the changes in the endowment net assets is as follows for the years ended June 30, 2026 and 2025:

	2026	2025
Balance at beginning of year	$ 51,632,849	$ 45,299,825
Investment return	8,061,864	5,124,319
Contributions	2,457,065	3,106,932
Transfers	(68,379)	(35,126)
Appropriated for expenditures	(1,969,666)	(1,863,101)
Balance at end of year	$ 60,113,733	$ 51,632,849

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

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

	June 30 2026	June 30 2025
Scholarships	$ 1,875,448	$ 40,000
Other programs	558,809	108,874
Totals	$ 2,434,257	$ 148,874

Net assets that were released from donor restrictions by incurring expenditures satisfying the purpose and time restrictions totaled $1,298,272 and $179,145 during the years ended June 30, 2026 and 2025, respectively.

NOTE 6 RELATED PARTY TRANSACTIONS

The Foundation provides services for the benefit of the College. In return, the College has provided the Foundation with certain staff, facilities, and insurance coverage for its operations without charge. Transactions between the Foundation and the College are summarized below as of June 30, 2026 and 2025:

	June 30, 2026		June 30, 2025	
	To Foundation from College	To College from Foundation	To Foundation from College	To College from Foundation
Contributions	$ 1,325,820	$ –	$ 1,215,782	$ –
Contributed services	1,174,009	–	1,141,562	–
Unrecognized payroll and benefits	68,182	–	99,836	–
Scholarships	–	3,799,072	–	3,608,842
Salaries and benefits	–	754,813	–	737,374
Investment management services	–	21,048	–	20,546
Other services	–	48,358	–	46,694
Other operating support	–	349,790	–	336,948
Nonmonetary contributions	–	40,970	–	35,831

NOTE 6 RELATED PARTY TRANSACTIONS (continued)

The Foundation had amounts due to the College of $231,667 and $225,166 as of June 30, 2026 and 2025, respectively.

The Foundation acts as an agent for KCCK-FM Radio, a department of the College, by providing tracking of contributions raised by KCCK-FM Radio and investing them in the Foundation's pooled investments. The amount due to KCCK-FM was $2,473,266 and $1,493,307 as of June 30, 2026 and 2025, respectively.

The Foundation acts as an agent for Kirkwood Facilities Foundation. The amount due to Kirkwood Facilities Foundation was $1,274,751 and $1,094,019 as of June 30, 2026 and 2025, respectively. See Note 1 for further discussion regarding this balance.

NOTE 7 EMPLOYEE BENEFIT PLANS

Employees of the Foundation are participants in various employee benefit programs of which the College pays on their behalf. The expense for the defined contribution retirement plan totaled $52,602 and $56,468 for the years ended June 30, 2026 and 2025, respectively.

NOTE 8 AMOUNTS HELD ON THE FOUNDATION'S BEHALF

The Foundation receives money from local community foundations for the change in investments designated to the Foundation and held by the local community foundations on their behalf, with variance power. Because the local community foundations hold variance power over the funds, these investments are not recorded by the Foundation; rather, the amount of funds received is recorded as revenue when received. The Foundation received $96,872 and $91,886, respectively, from these funds for the years ended June 30, 2026 and 2025. The amount of investments held on the Foundation's behalf as of June 30, 2026 and 2025 was $1,486,271 and $1,351,192, respectively.

NOTE 9 RISKS AND UNCERTAINTIES

The investments of the Foundation are exposed to various risks such as interest rate, market risks, and credit risks due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments. It is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

NOTE 10 LIQUIDITY AND AVAILABILITY

The Foundation regularly monitors the availability of resources required to meet its operating needs and other commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing activities as well as the conduct of services to support those activities to be general expenditures.

In addition to the financial assets available to meet general expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general operations.

NOTE 10 LIQUIDITY AND AVAILABILITY (continued)

The following table shows the total financial assets held by the Foundation, that is, without donor restrictions limiting their use, within one year of the statement of financial position date to meet general expenditures and future needs of the Foundation:

	June 30	
	2026	2025
Cash and cash equivalents	$ 7,420,438	$ 3,628,116
Pledges receivable, current	591,751	57,500
Investments	90,203,547	77,122,016
Subtotal	98,215,736	80,807,632
Less: donor advised for endowment	(57,209,640)	(49,021,998)
Less: amounts due to KCCK-FM Radio	(2,473,266)	(1,493,307)
Less: amounts held for other agencies	(2,205,610)	(1,953,151)
Less: amounts held for Kirkwood Facilities Foundation	(1,274,751)	(1,094,019)
Totals	$ 35,052,469	$ 27,245,157

NOTE 11 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through September 29, 2026, the date which the financial statements were available to be issued. There were no subsequent events required to be accrued or disclosed.