
GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

FINANCIAL STATEMENTS

August 31, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Grand Island Public Schools Foundation

Opinion

We have audited the accompanying financial statements of the Grand Island Public Schools Foundation (a non-profit organization), which comprise the statements of financial position as of August 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Grand Island Public Schools Foundation as of August 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management 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; 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 Grand Island Public Schools Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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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 controls. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Grand Island Public Schools 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 Grand Island Public Schools Foundation's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the Grand Island Public Schools Foundation's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 1, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

AMGL P.C.

Grand Island, Nebraska
November 4, 2022

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

STATEMENTS OF FINANCIAL POSITION

August 31, 2022

(With Comparative Totals for 2021)

	2022					
	General Account	Senior High Booster Club Account	Academic Aristocrats Account	Drama and Choral Music Boosters Account	Kaufmann- Cummings Scholarship Account	Jack Martin Scholarship Account
ASSETS						
CURRENT ASSETS						
Cash (note A5)	\$ 3,397,833	\$ 180,235	\$ 39,175	\$ 15,253	\$ 45,000	\$ (276,187)
Certificates of deposit (notes A6 and E)	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-
Pledges receivable (notes A10 and F)	113,316	-	561	-	-	-
Investments (notes A8 and D)	3,663,438	-	968,290	-	-	2,222,903
Total current assets	7,174,587	180,235	1,008,026	15,253	45,000	1,946,716
NONCURRENT ASSETS						
Cash surrender value of life insurance	26,520	-	-	-	-	-
Long-term pledges receivable (notes A10 and F)	21,577	-	1,400	-	12,000	-
Total noncurrent assets	48,097	-	1,400	-	12,000	-
Total assets	\$ 7,222,684	\$ 180,235	\$ 1,009,426	\$ 15,253	\$ 57,000	\$ 1,946,716
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Current scholarships payable (note G)	55,783	1,000	26,638	375	21,000	387,476
Current grants payable (note H)	-	-	-	-	-	-
Payroll Protection Program loan (note L)	-	-	-	-	-	-
Other payables	17,449	-	-	-	-	-
Payroll liabilities	-	-	-	-	-	-
Total current liabilities	73,232	1,000	26,638	375	21,000	387,476
LONG-TERM LIABILITIES, NET OF CURRENT PORTION						
Long-term scholarships payable (note G)	60,700	-	-	-	36,000	497,672
Long-term grants payable (note H)	326,100	-	-	-	-	-
Total long-term liabilities	386,800	-	-	-	36,000	497,672
Total liabilities	460,032	1,000	26,638	375	57,000	885,148
NET ASSETS						
Without donor restrictions	780,003	179,235	-	14,878	-	-
With donor restrictions (note B)	5,982,649	-	982,788	-	-	1,061,568
Total net assets	6,762,652	179,235	982,788	14,878	-	1,061,568
Total liabilities and net assets	\$ 7,222,684	\$ 180,235	\$ 1,009,426	\$ 15,253	\$ 57,000	\$ 1,946,716

See notes to financial statements.

2022							2022	2021
Marshall Scholarship Account	Orchestra Account	Band Boosters Account	Touchdown Club Account	Show Choir Booster Account	Student Kindness Account	Senior High Wrestling Account	Total All Accounts	Total All Accounts
\$ 293	\$ 4,463	\$ 59,731	\$ 39,228	\$ 90,147	\$ 81,006	\$ 397	\$ 3,676,574	\$ 1,950,013
-	-	21,089	-	-	-	-	21,089	20,994
-	-	11	-	-	-	-	11	11
-	-	-	-	-	150	-	114,027	200,347
19,066	-	-	-	-	-	-	6,873,697	7,188,275
19,359	4,463	80,831	39,228	90,147	81,156	397	10,685,398	9,359,640
-	-	-	-	-	-	-	26,520	22,654
-	-	-	-	-	-	-	34,977	92,830
-	-	-	-	-	-	-	61,497	115,484
\$ 19,359	\$ 4,463	\$ 80,831	\$ 39,228	\$ 90,147	\$ 81,156	\$ 397	\$ 10,746,895	\$ 9,475,124
300	-	1,500	-	-	-	-	494,072	604,964
-	-	15,000	-	-	-	-	15,000	9,000
-	-	-	-	-	-	-	-	33,000
-	-	-	-	-	-	-	17,449	11,227
-	-	-	-	-	-	-	-	1,116
300	-	16,500	-	-	-	-	526,521	659,307
-	-	-	-	-	-	-	594,372	676,372
-	-	18,000	-	-	-	-	344,100	853,100
-	-	18,000	-	-	-	-	938,472	1,529,472
300	-	34,500	-	-	-	-	1,464,993	2,188,779
-	4,463	46,331	39,228	90,147	81,156	397	1,235,838	1,212,763
19,059	-	-	-	-	-	-	8,046,064	6,073,582
19,059	4,463	46,331	39,228	90,147	81,156	397	9,281,902	7,286,345
\$ 19,359	\$ 4,463	\$ 80,831	\$ 39,228	\$ 90,147	\$ 81,156	\$ 397	\$ 10,746,895	\$ 9,475,124

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

STATEMENTS OF ACTIVITIES

**For the Year Ended August 31, 2022
(With Comparative Totals for 2021)**

	2022				
	General Account	Senior High Booster Club Account	Academic Aristocrats Account	Drama and Choral Music Boosters Account	Kaufmann- Cummings Scholarship Account
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:					
Revenues					
Contributions and support	\$ 177,461	\$ 42	\$ -	\$ 60	\$ -
Contributions of nonfinancial assets (note A11)	10,914	1,000	-	850	-
Net investment income (note D)	(17,526)	533	-	20	-
Other fundraising income	91,257	203,741	-	15,634	-
Increase in cash surrender value	3,866	-	-	-	-
Unclaimed scholarships	-	1,000	-	-	-
PPP loan forgiveness (note L)	33,000	-	-	-	-
Administrative fees	117,316	-	-	-	-
Total revenues	416,288	206,316	-	16,564	-
Net assets released from restrictions (note C)	553,482	-	70,083	-	27,064
Total revenues and other support	969,770	206,316	70,083	16,564	27,064
Expenses					
Program expenses	528,006	91,400	52,131	6,844	24,000
Fundraising	186,425	83,794	700	12,053	-
General and administrative	285,340	2,279	17,252	368	3,064
Total expenses	999,771	177,473	70,083	19,265	27,064
Increase (decrease) in net assets without donor restrictions	(30,001)	28,843	-	(2,701)	-
CHANGES IN DONOR RESTRICTED NET ASSETS:					
Contributions and support	2,856,677	-	30,857	-	24,000
Contributions of nonfinancial assets (note A11)	49,082	-	-	-	-
Net investment income (note D)	(189,221)	-	(51,073)	-	-
Unclaimed scholarships	22,252	-	5,763	-	-
Net assets released from restrictions (note C)	(553,482)	-	(70,083)	-	(27,064)
Increase (decrease) in net assets with donor restrictions	2,185,308	-	(84,536)	-	(3,064)
Increase (decrease) in net assets	2,155,307	28,843	(84,536)	(2,701)	(3,064)
Net assets at beginning of year	4,607,345	150,392	1,067,324	17,579	3,064
Net assets at end of year	\$ 6,762,652	\$ 179,235	\$ 982,788	\$ 14,878	\$ -

See notes to financial statements.

2022								2022	2021
Jack Martin Scholarship Account	Marshall Scholarship Account	Orchestra Account	Band Boosters Account	Touchdown Club Account	Show Choir Booster Account	Student Kindness Account	Senior High Wrestling Account	Total All Accounts	Total All Accounts
\$ -	\$ -	\$ -	\$ -	\$ 8,800	\$ 114,846	\$ 22,738	\$ 2,000	\$ 325,947	\$ 277,650
-	-	-	-	-	190	-	-	12,954	750
-	-	2	214	-	184	-	-	(16,573)	102,363
-	-	-	92,478	14,210	7,504	-	23,401	448,225	131,648
-	-	-	-	-	-	-	-	3,866	2,334
-	-	-	-	-	-	-	-	1,000	2,000
-	-	-	-	-	-	-	-	33,000	33,000
-	-	-	-	-	-	-	-	117,316	111,021
-	-	2	92,692	23,010	122,724	22,738	25,401	925,735	660,766
333,682	1,296	-	-	-	-	-	-	985,607	1,457,086
333,682	1,296	2	92,692	23,010	122,724	22,738	25,401	1,911,342	2,117,852
309,000	600	-	24,747	15,577	88,078	16,792	26,887	1,184,062	1,447,443
-	-	-	57,122	1,584	24,146	-	-	365,824	172,330
24,682	696	-	1,335	558	1,897	515	395	338,381	252,742
333,682	1,296	-	83,204	17,719	114,121	17,307	27,282	1,888,267	1,872,515
-	-	2	9,488	5,291	8,603	5,431	(1,881)	23,075	245,337
-	-	-	-	-	-	-	-	2,911,534	1,110,400
-	-	-	-	-	-	-	-	49,082	5,749
49,466	(3,120)	-	-	-	-	-	-	(193,948)	1,371,293
163,406	-	-	-	-	-	-	-	191,421	316,851
(333,682)	(1,296)	-	-	-	-	-	-	(985,607)	(1,457,086)
(120,810)	(4,416)	-	-	-	-	-	-	1,972,482	1,347,207
(120,810)	(4,416)	2	9,488	5,291	8,603	5,431	(1,881)	1,995,557	1,592,544
1,182,378	23,475	4,461	36,843	33,937	81,544	75,725	2,278	7,286,345	5,693,801
\$ 1,061,568	\$ 19,059	\$ 4,463	\$ 46,331	\$ 39,228	\$ 90,147	\$ 81,156	\$ 397	\$ 9,281,902	\$ 7,286,345

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended August 31, 2022 and 2021

	2022			
	<u>Program</u>	General and <u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Professional fees	\$ 75,439	\$ 29,908	\$ 73,330	\$ 178,677
Administrative fees	-	121,229	-	121,229
Credit card processing fee	-	510	-	510
Scholarships	521,333	-	-	521,333
Postage	4,153	-	1,381	5,534
Supplies	198,076	26,846	144,729	369,651
Computer software	-	4,388	-	4,388
Food - Sports Banquet	-	-	412	412
Food - Other	23,267	15,829	3,775	42,871
Printing/programs	8,486	-	16,373	24,859
Hoops Mania expenses	-	-	13,628	13,628
The Harvest expenses	-	-	37,220	37,220
Special projects	181,296	-	-	181,296
Payroll	106,117	105,610	49,325	261,052
Insurance	638	1,815	-	2,453
Utilities	-	-	-	-
Dues and fees	18,163	13,067	30	31,260
Travel	10,428	2,322	-	12,750
Miscellaneous	-	16,857	200	17,057
Mini grants	16,507	-	-	16,507
Cultivation	-	-	753	753
Volunteer recognition	-	-	8,007	8,007
Planned giving	-	-	1,400	1,400
Tribute gift	-	-	-	-
Advertising	-	-	13,605	13,605
COVID-19 emergency fund	20,159	-	-	20,159
Uncollectible pledges	-	-	1,656	1,656
	<hr/>	<hr/>	<hr/>	<hr/>
Total functional expenses	<u>\$ 1,184,062</u>	<u>\$ 338,381</u>	<u>\$ 365,824</u>	<u>\$ 1,888,267</u>

See notes to financial statements.

2021

<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
\$ 69,052	\$ 23,203	\$ 31,327	\$ 123,582
-	112,273	-	112,273
-	147	-	147
514,508	-	-	514,508
1,397	-	671	2,068
98,103	20,590	73,732	192,425
-	4,020	-	4,020
-	-	340	340
8,763	339	45	9,147
3,947	-	10,598	14,545
-	-	132	132
-	-	-	-
552,856	-	-	552,856
87,449	79,284	41,106	207,839
-	1,857	-	1,857
-	40	-	40
10	10,032	100	10,142
2,194	957	-	3,151
-	-	-	-
81,883	-	-	81,883
-	-	617	617
-	-	1,696	1,696
-	-	1,400	1,400
-	-	300	300
-	-	7,769	7,769
27,281	-	-	27,281
-	-	2,497	2,497
<u>\$ 1,447,443</u>	<u>\$ 252,742</u>	<u>\$ 172,330</u>	<u>\$ 1,872,515</u>

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

STATEMENTS OF CASH FLOWS

**For the Year Ended August 31, 2022
(With Comparative Totals for 2021)**

	2022					
	General Account	Senior High Booster Club Account	Academic Aristocrats Account	Drama and Choral Music Boosters Account	Kaufmann- Cummings Scholarship Account	Jack Martin Scholarship Account
CASH FLOWS FROM OPERATING ACTIVITIES:						
Increase (decrease) in net assets	\$ 2,155,307	\$ 28,843	\$ (84,536)	\$ (2,701)	\$ (3,064)	\$ (120,810)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:						
Unrealized (gain) loss on investments	532,420	-	126,802	-	-	(4,657)
Gain on sale of investments	(65,532)	-	(6,462)	-	-	-
Payroll Protection Program loan forgiveness (note L)	(33,000)	-	-	-	-	-
(Increase) decrease in:						
Interest receivable	-	-	-	-	-	-
Pledges receivable	143,775	-	398	-	-	-
Cash surrender value life insurance	(3,866)	-	-	-	-	-
Increase (decrease) in:						
Accounts/other payables	6,222	-	-	-	-	-
Scholarships payable	16,427	-	(500)	375	5,000	(214,069)
Grant payable	(500,000)	-	-	-	-	-
Payroll liabilities	(1,116)	-	-	-	-	-
Net cash provided (used) by operating activities	2,250,637	28,843	35,702	(2,326)	1,936	(339,536)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Purchase of investments	(737,103)	-	(67,041)	-	-	-
Sale of investments	502,375	-	29,367	-	-	-
(Increase) decrease in certificates of deposit	-	-	-	-	-	-
Net cash provided (used) by investing activities	(234,728)	-	(37,674)	-	-	-
Net increase (decrease) in cash and cash equivalents	2,015,909	28,843	(1,972)	(2,326)	1,936	(339,536)
Cash and cash equivalents - beginning of year	1,381,924	151,392	41,147	17,579	43,064	63,349
Cash and cash equivalents - end of year	\$ 3,397,833	\$ 180,235	\$ 39,175	\$ 15,253	\$ 45,000	\$ (276,187)

See notes to financial statements.

2022							2022	2021
Marshall Scholarship Account	Orchestra Account	Band Boosters Account	Touchdown Club Account	Show Choir Booster Account	Student Kindness Account	Senior High Wrestling Account	Total All Accounts	Total All Accounts
\$ (4,416)	\$ 2	\$ 9,488	\$ 5,291	\$ 8,603	\$ 5,431	\$ (1,881)	\$ 1,995,557	\$ 1,592,544
4,803	-	-	-	-	-	-	659,368	(771,732)
(415)	-	-	-	-	-	-	(72,409)	(510,402)
-	-	-	-	-	-	-	(33,000)	-
-	-	-	-	-	-	-	-	19
-	-	-	-	-	-	-	144,173	401,787
-	-	-	-	-	-	-	(3,866)	(2,334)
-	-	-	-	-	-	-	6,222	(5,047)
(625)	-	500	-	-	-	-	(192,892)	(178,302)
-	-	(3,000)	-	-	-	-	(503,000)	(484,000)
-	-	-	-	-	-	-	(1,116)	329
(653)	2	6,988	5,291	8,603	5,431	(1,881)	1,999,037	42,862
(1,268)	-	-	-	-	-	-	(805,412)	(302,082)
1,289	-	-	-	-	-	-	533,031	768,371
-	-	(95)	-	-	-	-	(95)	(128)
21	-	(95)	-	-	-	-	(272,476)	466,161
(632)	2	6,893	5,291	8,603	5,431	(1,881)	1,726,561	509,023
925	4,461	52,838	33,937	81,544	75,575	2,278	1,950,013	1,440,990
\$ 293	\$ 4,463	\$ 59,731	\$ 39,228	\$ 90,147	\$ 81,006	\$ 397	\$ 3,676,574	\$ 1,950,013

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS

August 31, 2022 and 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Activities

The Grand Island Public Schools Foundation is a non-profit organization which is engaged primarily in raising funds for extracurricular and academic purposes in the Grand Island area. Support is received primarily through contributions and fundraising programs. The Organization is a component unit of Grand Island Public Schools (School District #2, Hall County, Nebraska). A component unit is an organization that raises and holds economic resources for the direct benefit of a governmental unit or its constituents. The Foundation is a separate legal entity from GIPS and has a separate board of directors.

2. Basis of Accounting and Presentation

The Grand Island Public Schools Foundation uses the accrual basis of accounting, whereby revenues are recognized as earned and expenses are recognized as incurred.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification topic, *Financial Statements of Not-for-Profit Organizations*. Under FASB Codification, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

3. Fund Accounting

In order to ensure observance of limitations and restrictions placed on use of resources available to the Organization, fund accounting is used to classify resources in accordance with activities or objectives specified.

General Account - is used to account for miscellaneous support not associated with any other fund.

Senior High Booster Club Account - is used to account for athletic activities fundraising, programs, and expenses.

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Fund Accounting, continued

Academic Aristocrats Account - is used to account for academic scholarships awarded each year.

Drama and Choral Music Boosters Account - is used to account for programs related to drama and music activities.

Kaufmann-Cummings Scholarship Account - is used to account for the disbursement of college scholarships.

Jack Martin Scholarship Account - is used to account for the disbursement of college scholarships.

Marshall Scholarship Account - is used to account for the disbursement of college scholarships.

Orchestra Account - is used to account for programs related to orchestra activities.

Band Booster Account - is used to account for programs related to band activities.

Touchdown Club Account - is used to account for programs related to football activities.

Show Choir Booster Account - is used to account for programs related to show choir activities.

Student Kindness Account - is used to account for programs related to Student Kindness activities.

Senior High Wrestling Account - is used to account for programs related to Senior High wrestling activities.

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Income Taxes

As a non-profit organization, the Grand Island Public Schools Foundation is exempt from income taxes in accordance with the Internal Revenue Code Section 501(c)(3).

The Organization's Federal exempt organization tax returns (Form 990) for the years ended August, 2019, 2020 and 2021 are subject to examination by the IRS, generally for three years after they were filed.

5. Cash and Cash Equivalents

The Grand Island Public Schools Foundation considers all demand accounts and savings accounts to be cash and cash equivalents.

6. Certificates of Deposit

Certificates of deposit are carried at cost, which approximates fair market value. Additional disclosure is presented in Note E.

7. Contributions – Revenue Recognition

The Organization accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Codification Standards regarding, "*Accounting for Contributions Received and Contributions Made.*" Under SFAS Codification guidance, contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as a net asset released from restrictions.

Donor-restricted contributions, whose restrictions are met in the same reporting period, are reported as support without donor restrictions.

8. Investments

The Organization accounts for investments in accordance with the Financial Accounting Standards Codification Standards regarding, "*Accounting for Certain Investments Held by Not-for-Profit Organizations.*" Under SFAS Codification guidance, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

9. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

10. Pledges Receivable

Unconditional pledges receivable are recognized as revenues and assets in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

11. Contributions of Nonfinancial Assets

During the year ended June 30, 2022, the Foundation adopted ASU 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosure by Not-For-Profit Entities for Contributed Nonfinancial Assets*. The Foundation's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Foundation. If an asset is provided that does not allow the Foundation to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialists depending on the type of asset.

The Foundation received gifts of nonfinancial assets for the years ended August 31, 2022 and 2021 of \$62,036 and \$6,499, respectively. These gifts consisted of professional services, various fundraising items and pass-through items to Grand Island Public Schools.

In addition, volunteers have contributed their time to special events and programs services. However, no amounts have been reflected in the financial statements since these services do not meet the criteria for recognition.

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE B – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at August 31, 2022 and 2021 were available for the following purposes:

	<u>2022</u>	<u>2021</u>
General - Food for Thought & Outreach	\$ 50,354	\$ 46,935
General - Southard	408,006	459,423
General - Scholarships	3,883,862	1,480,527
General - Special Education	734,577	780,882
General - Outdoor Club	3,802	3,822
General - Debra Happold Memorial Fund	16,648	18,591
General - Class of 2004	3,382	3,621
General - Class of 2005	1,067	1,142
General - Class of 2006	1,359	1,455
General - Class of 2007	1,704	1,824
General - Class of 2009	2,172	2,326
General - Class of 2010	1,054	1,128
General - Class of 2011	2,731	2,923
General - Class of 2012	959	1,028
General - Class of 2013	865	926
General - Clark Reese	25,319	18,846
General - Rosacker	30,759	31,764
General - Planetarium	1,374	1,471
General - Maupin Orchestra	26,544	26,625
General - Jeffries Scoreboard	29,657	33,118
General - Other Pass Through	53,196	31,212
General - Sheila Myers	11,584	12,377
General - Newcomers Quilt	208	284
General - Career Pathway Institute	485,847	542,166
General - Mrs. Janeth Davis Memorial Scholarship	6,360	-
General - Gangwish	7,858	8,144
General - Masterpiece Campaign	-	71,754
General - SkillsUSA	29,368	26,155
General - Football Hall of Fame	21,703	23,252
General - Underground Art Gallery	-	190
General - NAPS F	-	18,229

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE B - NET ASSETS WITH DONOR RESTRICTIONS, continued

	<u>2022</u>	<u>2021</u>
General - Ayoub	5,484	5,170
General - GISH Athletic Hall of Fame	12,857	13,304
General - Memorial Stadium	44,341	32,618
General - Veterans' Memorial Wall	20,492	21,894
General - Ombudsman	7,031	-
General - Dr. Eugene Miller Legacy Scholarship	30,743	31,773
General - Sylvia Beck Estate	8,077	8,929
General - Livingston Family	3,993	4,082
General - Todd & Kelly Enck	7,312	7,829
General - COVID-19 Emergency Fund	-	19,602
Total General	<u>5,982,649</u>	<u>3,797,341</u>
Academic Aristocrats - Scholarships	982,788	1,067,324
Kauffman-Cummings - Scholarships	-	3,064
Jack Martin - Scholarships	1,061,568	1,182,378
Marshall - Scholarships	19,059	23,475
	<u>\$ 8,046,064</u>	<u>\$ 6,073,582</u>

NOTE C - RELEASE OF DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by donors. The total released from donor restrictions was \$985,607 and \$1,457,086 for the years ended August 31, 2022 and 2021, respectively.

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE D - INVESTMENTS

Investments are stated at fair value and consist of stocks and mutual funds as follows:

	August 31, 2022			August 31, 2021		
	Market Value	Cost Basis	Unrealized Gain (Loss)	Market Value	Cost Basis	Unrealized Gain (Loss)
<u>Academic Aristocrats:</u>						
Income Fund of America						
- Class A	\$ 968,290	\$ 841,245	\$ 127,045	\$ 1,050,956	\$ 796,347	\$ 254,609
<u>General:</u>						
Income Fund of America						
- Class A	3,478,402	3,034,026	444,376	3,667,341	2,742,100	925,241
Principal Investments						
- Equity	118,629	135,421	(16,792)	191,515	134,960	56,555
- Fixed Income	50,436	50,836	(400)	36,742	36,820	(78)
- Other	15,971	15,891	80	-	-	-
Total General	3,663,438	3,236,174	427,264	3,895,598	2,913,880	981,718
<u>Jack Martin Scholarship:</u>						
Abbvie Inc						
- Common Stock	484,056	181,587	302,469	434,808	181,587	253,221
Eli Lilly & Co						
- Common Stock	649,151	117,329	531,822	556,615	117,329	439,286
Johnson & Johnson						
- Common Stock	383,989	162,445	221,544	412,049	162,445	249,604
Microsoft						
- Common Stock	705,707	83,158	622,549	814,774	83,158	731,616
Total Jack Martin Scholarship	2,222,903	544,519	1,678,384	2,218,246	544,519	1,673,727
<u>Marshall Scholarship:</u>						
American Balanced Fund	10,182	7,475	2,707	11,929	7,385	4,544
American Capital World Growth & Income - Class A	8,884	8,071	813	11,546	7,766	3,780
Total Marshall Scholarship	19,066	15,546	3,520	23,475	15,151	8,324
Totals	<u>\$ 6,873,697</u>	<u>\$ 4,637,484</u>	<u>\$ 2,236,213</u>	<u>\$ 7,188,275</u>	<u>\$ 4,269,897</u>	<u>\$ 2,918,378</u>

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE D - INVESTMENTS, continued

Fair values of investments are measured based on the level of evidence available to support the fair value. FASB Standards Codification identifies three levels of fair value measurements:

- Level 1 – Based on quoted prices in active markets for identical assets
- Level 2 – Based on significant other observable inputs
- Level 3 – Based on significant unobservable inputs

All investments for the years ended August 31, 2022 and 2021 are presented at fair value using Level 1 evidence.

Net investment income for the year ended August 31, 2022 and 2021 consisted of:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 193,974	\$ 188,760
Capital gain distributions	184,474	2,762
Realized gains	72,409	510,402
Unrealized gain (loss)	(659,368)	773,053
Investment fees	(2,010)	(1,321)
Net investment income	<u>\$ (210,521)</u>	<u>\$ 1,473,656</u>

NOTE E – CERTIFICATES OF DEPOSIT

Certificates of deposit consist of the following:

<u>Bank</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>	
			<u>2022</u>	<u>2021</u>
Five Points Bank	12/15/2022	0.40%	\$ 10,568	\$ 10,515
Five Points Bank	5/13/2023	0.40%	10,521	10,479
			<u>\$ 21,089</u>	<u>\$ 20,994</u>

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE F - PLEDGES RECEIVABLE

For the years ended August 31, 2022 and 2021, the Organization considered pledges receivable to be fully collectible; accordingly, no allowance for uncollectible pledges was recorded.

Pledges receivable activity for the years ended August 31, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Pledges receivable at beginning of year	\$ 293,177	\$ 694,964
New pledges	179,229	150,861
Less: Collections	(321,523)	(550,993)
Less: Write-offs	<u>(1,879)</u>	<u>(1,655)</u>
Pledges receivable at end of year	<u>\$ 149,004</u>	<u>\$ 293,177</u>

Pledges outstanding at August 31, 2022 are expected to be collected as follows:

Receivable in less than 1 year	\$ 114,027
Receivable in 1 to 5 years	<u>34,977</u>
	<u>\$ 149,004</u>

NOTE G - SCHOLARSHIPS PAYABLE

The Foundation had approved \$1,088,444 as of August 31, 2022 and \$1,281,336 as of August 31, 2021 in scholarships payable reported on the statement of financial position. As of August 31, 2022, scholarships are expected to be paid as follows:

Less than 1 year	\$ 494,072
1 to 5 years	<u>594,372</u>
	<u>\$ 1,088,444</u>

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION
NOTES TO FINANCIAL STATEMENTS, Continued
August 31, 2022 and 2021

NOTE H - GRANTS PAYABLE

During the year ending August 31, 2019, the Foundation approved a grant of \$12,878,815 to Grand Island Public Schools for a portion of the payment on the Memorial Stadium project. Payments of \$7,416,995 and \$5,461,820 were made during the years ended August 31, 2020 and August 31, 2019, respectively. During October 2019, the Foundation approved additional funding of \$1,326,100 for renovation and expansion of the east side of Memorial Stadium. Payments of \$500,000 were made during the years ended August 31, 2022 and August 31, 2021. The remaining payments of \$326,100 will be paid once the remaining pledge receivables are collected, which is expected to be during the year ending August 31, 2025.

A grant of \$60,000 was made from the Athletic Booster Fund to Grand Island Public Schools Foundation, Inc. for the Memorial Stadium project at Grand Island Public Schools during the year ended August 31, 2019. A payment of \$20,000 was made during each year ended August 31, 2021, 2020 and 2019.

A grant of \$15,000 was made from the Band Booster Fund to Grand Island Public Schools for the Memorial Stadium project at Grand Island Public Schools during the year ended August 31, 2021. A payment of \$3,000 was made during the years ended August 31, 2022 and August 31, 2021. The remaining balance to be paid as of August 31, 2022 was \$9,000. Payments of \$3,000 are expected to be made during each year through August 31, 2025.

A grant of \$30,000 was made from the Band Booster Fund to Grand Island Public Schools Foundation, Inc. for band uniforms during the year ended August 31, 2021. A payment of \$6,000 was made during the year ended August 31, 2021. The remaining balance to be paid as of August 31, 2022 was \$24,000. This \$24,000 is also included in pledges receivable for the General Fund as of August 31, 2022. Payments of \$12,000 are expected to be made during the year ending August 31, 2023 and \$6,000 each year through August 31, 2025.

The remaining balance of grants payable are expected to be made as follows:

Less than 1 year	\$ 15,000
1 to 3 years	<u>344,100</u>
	<u>\$ 359,100</u>

NOTE I - CONCENTRATION OF CREDIT RISK

At August 31, 2022 and August 31, 2021, bank deposits were fully collateralized.

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION
NOTES TO FINANCIAL STATEMENTS, Continued
August 31, 2022 and 2021

NOTE J – COST ALLOCATION

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The personnel expenses are allocated to fundraising based on an estimate of time and effort.

NOTE K – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditure are as follows as of August 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Total assets at year-end	\$ 10,746,895	\$ 9,475,124
Less non-financial assets		
Cash surrender value - life insurance	(26,520)	(22,654)
Long-term pledges receivable	<u>(34,977)</u>	<u>(92,830)</u>
Financial assets	10,685,398	9,359,640
Less financial assets unavailable for general expenditures within one year:		
Cash and investments with donor restrictions	(8,966,536)	(6,749,954)
Current portion of grants and scholarships payable	(509,072)	(613,964)
Other payables	(17,449)	(11,227)
Payroll liabilities	<u>-</u>	<u>(1,116)</u>
Financial assets available for general expenditures within one year	<u>\$ 1,192,341</u>	<u>\$ 1,983,379</u>

As part of its liquidity management, the Foundation has a goal to maintain financial assets on hand to meet six months of normal operating expense, which would be approximately \$143,543 based on the actual expenditures for the year ending August 31, 2022. The remainder of the financial assets are available for unrestricted grants as approved by the board.

GRAND ISLAND PUBLIC SCHOOLS FOUNDATION

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2022 and 2021

NOTE L – PAYROLL PROTECTION PROGRAM LOAN

On January 1, 2021, the Foundation received a \$33,000 loan through Equitable Bank under round two of the Payroll Protection Program. The loan bears interest of one percent and matures January 18, 2026. Under terms of the COVID-19 related SBA loan program, the loan and any accrued interest will be fully forgiven if the Foundation spends the principal amount received and accrued interest for payroll and related benefits and other qualifying expenses within 24 weeks of the loan date. The loan and accrued interest was fully forgiven on September 16, 2021, so the loan forgiveness is reflected in revenue for the year ended August 31, 2022.

On April 15, 2020, the Foundation received a \$33,000 loan through Equitable Bank under the Payroll Protection Program. The loan bears interest of one percent and matures April 15, 2022. Under terms of the COVID-19 related SBA loan program, the loan and any accrued interest will be fully forgiven if the Foundation spends the principal amount received and accrued interest for payroll and related benefits and other qualifying expenses within 24 weeks of the loan date. The loan and accrued interest was fully forgiven on December 7, 2020, so the loan forgiveness is reflected in revenue for the year ended August 31, 2021.

NOTE M – COMMITMENTS

On April 3, 2020, the Athletic Boosters Fund entered into an agreement with Grand Island Public Schools for advertisement on the GISH Memorial Stadium Scoreboard at \$2,500 per year for five years. The first payment was paid during the year ending August 31, 2021.

Total commitments for the succeeding years are as follows:

2023	\$ 2,500
2024	2,500
2025	<u>2,500</u>
	<u>\$ 7,500</u>

NOTE N - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 4, 2022, the date on which the financial statements were available for issue.