

Financial Statements  
June 30, 2025

**Foundation for South Orange County  
Community College District**

Foundation for South Orange County Community College District

Table of Contents

June 30, 2025

---

Independent Accountant’s Review Report.....	1
Statement of Financial Position .....	2
Statement of Activities.....	3
Statement of Functional Expenses.....	4
Statement of Cash Flows .....	5
Notes to Financial Statements .....	6



## Independent Accountant's Review Report

Board of Directors  
Foundation for South Orange County Community College District  
Mission Viejo, California

We have reviewed the accompanying financial statements of the Foundation for South Orange County Community College District (the Foundation) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Foundation management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### 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.

### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Rancho Cucamonga, California  
December 18, 2025

Foundation for South Orange County Community College District  
Statement of Financial Position  
June 30, 2025

---

Assets		
Cash		<u>\$ 22,308</u>
Total Assets		<u><u>\$ 22,308</u></u>
Net Assets		
Without donor restrictions		
Undesignated		<u>\$ 22,308</u>
Total Net Assets		<u><u>\$ 22,308</u></u>

Foundation for South Orange County Community College District  
Statement of Activities  
Year Ended June 30, 2025

---

	<u>Without Donor Restrictions</u>
Revenues and Support	
Contributions	\$ 2,000
Donated professional fees	<u>2,500</u>
Total Revenues and Support	<u>4,500</u>
Expenses	
Management and general	<u>6,952</u>
Total Expenses	<u>6,952</u>
Change in Net Assets	(2,452)
Net Assets, Beginning of Year	<u>24,760</u>
Net Assets, End of Year	<u><u>\$ 22,308</u></u>

Foundation for South Orange County Community College District  
Statement of Functional Expenses  
Year Ended June 30, 2025

---

	<u>Management and General</u>
Program activities	\$ 4,202
District event refreshments	45
Seminars and conferences	205
Donated professional fees	<u>2,500</u>
Total Functional Expenses	<u><u>\$ 6,952</u></u>

Foundation for South Orange County Community College District  
Statement of Cash Flows  
Year Ended June 30, 2025

---

Operating Activities	
Change in net assets	<u>\$ (2,452)</u>
Net Cash used in Operating Activities	<u>(2,452)</u>
Cash, Beginning of Year	<u>24,760</u>
Cash, End of Year	<u><u>\$ 22,308</u></u>

Foundation for South Orange County Community College District  
Notes to Financial Statements  
June 30, 2025

---

**Note 1 - Nature of Organization and Significant Accounting Policies**

**Organization**

The Foundation for South Orange County Community College District (the Foundation) is a California, nonprofit public benefit corporation founded on July 5, 2005, for the purpose of receiving contributions to further the educational purposes of the South Orange County Community College District (the District). The principal source of revenue for the Foundation include donor contributions.

**Financial Statement Presentation**

The Foundation and the District are financially interrelated organizations as defined by Accounting Standards Codification (ASC) Topic 958-605, *Transfers of Assets to a Nonprofit or Charitable Trust that Holds Contributions for Others*. Under ASC Topic 958-605, the Foundation reflects contributions received for the benefit of the District as revenue in its financial statements. The expenses related to these contributions are accounted for under program expenses.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) has established the ASC as the source of authoritative accounting principles to be applied in the preparation of financial statements in accordance with GAAP. The financial statements include the accounts maintained by and directly under the control of the Foundation. In addition, the Foundation is required to present a statement of cash flows.

**Net Assets**

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* - Net assets available for general use and not subject to donor restrictions.

*Net Assets With Donor Restrictions* - Net assets that are contributions and endowment investment earnings subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met, either by actions of the Foundation and/or the passage of time. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Foundation did not have any net assets with donor restrictions at June 30, 2025.

**Cash**

Cash consists of cash held in checking accounts. Cash accounts maintained by the Foundation are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2025, the cash balances were fully insured.

## Foundation for South Orange County Community College District

Notes to Financial Statements

June 30, 2025

---

### **Revenue and Revenue Recognition**

Contributions are measured at their fair value at the date of contribution and are reported as an increase in net assets. The Foundation reports gifts of cash or other assets in the category designated by the donor, either without or with restrictions. The Foundation reports gifts of goods and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. For contributions without explicit donor stipulation about how the contributions are to be spent, the Foundation reports these contributions as without donor restrictions.

### **Donated Services and Goods**

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Donated services received from the District per the terms of the Master Agreement are recorded as contributions at the estimated fair value that the Foundation would have otherwise paid for the same service. The value of those contributed items is recognized as both revenue and expense to the Foundation.

### **Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates, and those estimates could be material.

### **Income Taxes**

The Foundation is a charitable, not-for-profit, tax-exempt organization qualified under provisions of Section 501(c)(3) of the Internal Revenue Code and corresponding California provisions. Accordingly, no provision for income taxes has been provided in the financial statements. The Foundation annually files information returns, Forms 990, 199, and RRF-1, with the appropriate agencies. There was no unrelated business activity income.

The Foundation has adopted FASB ASC Topic 740 that clarifies the accounting for uncertainty in tax positions taken, or expected to be taken, on a tax return and provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if, based on its merits, the position is more likely than not to be sustained on audit by the taxing authorities. Management believes that all tax positions taken to date are highly certain and, accordingly, no accounting adjustment has been made to the financial statements. The Foundation would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Foundation for South Orange County Community College District  
Notes to Financial Statements  
June 30, 2025

---

**Allocation of Functional Expenses**

The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, there are no shared costs among the programs and support services that require allocation.

**Subsequent Events**

The Foundation's management has evaluated events or transactions from June 30, 2025 through December 18, 2025, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that require additional disclosure in the Foundation's financial statements.

**Note 2 - Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date is comprised of cash of \$22,308.

**Liquidity Management**

To manage liquidity, the Foundation structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. District staff on behalf of the Foundation management monitor daily cash balances.

Additionally, on behalf of the Foundation, the District has implemented cash management procedures, that include the monthly reconciliation of banked and invested cash deposits and disbursements to receipts, disbursement records and donor accounts.

**Note 3 - Related Parties**

The Foundation received a contribution from Saddleback College Foundation, a related not-for-profit organization, totaling \$2,000 for the year ending June 30, 2025. Additionally, for the year ending June 30, 2025, the Foundation was given service support from the District in the amount of \$2,500 for donated professional fees.