

**FRIENDS OF
FORMAN
CHRISTIAN
COLLEGE**



ATLANTA, GEORGIA
AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2021 AND 2020

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
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JUNE 30, 2021 AND 2020

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Jones and Kolb
Certified Public Accountants
Atlanta, Georgia

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Friends of Forman Christian College, Inc.
Atlanta, Georgia

We have audited the accompanying financial statements of Friends of Forman Christian College, Inc. (a nonprofit organization) (the "Organization"), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and net assets, functional expenses and cash flows for the years 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 Organization'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 Organization'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 Friends of Forman Christian College, Inc. as of June 30, 2021 and 2020, 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.

Jones and Kolb

October 15, 2021

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

ASSETS

	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,707,907	\$ 3,474,320
Cash held on behalf of Forman Christian College	407,640	169,147
Certificates of deposit and money market funds	-	2,903,118
Pledges and other receivables	298,828	102,461
Prepaid expenses	5,193	1,438
Total current assets	3,419,568	6,650,484
PROPERTY AND EQUIPMENT, NET	2,164	3,057
INVESTMENTS - ENDOWMENT	915,384	637,490
Total assets	\$ 4,337,116	\$ 7,291,031

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Due to Forman Christian College	\$ 407,640	\$ 169,147
Accrued grants payable	84,787	113,642
Accounts payable	13,106	11,215
Total current liabilities	505,533	294,004
NET ASSETS		
Without donor restrictions		
Undesignated	-	-
Board designated	1,500,324	1,433,428
Total without donor restrictions	1,500,324	1,433,428
With donor restrictions	2,331,259	5,563,599
Total net assets	3,831,583	6,997,027
Total liabilities and net assets	\$ 4,337,116	\$ 7,291,031

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

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
STATEMENT OF ACTIVITIES AND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions	\$ 813,739	\$ 2,446,566	\$ 3,260,305
Government grant	-	29,075	29,075
Investment income (loss)	(2,004)	171,564	169,560
	<u>811,735</u>	<u>2,647,205</u>	<u>3,458,940</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
	<u>5,879,545</u>	<u>(5,879,545)</u>	<u>-</u>
EXPENSES			
Program services	6,115,457	-	6,115,457
General and administrative	199,760	-	199,760
Fundraising	309,167	-	309,167
	<u>6,624,384</u>	<u>-</u>	<u>6,624,384</u>
CHANGE IN NET ASSETS	66,896	(3,232,340)	(3,165,444)
NET ASSETS AT JUNE 30, 2020	<u>1,433,428</u>	<u>5,563,599</u>	<u>6,997,027</u>
NET ASSETS AT JUNE 30, 2021	<u><u>\$ 1,500,324</u></u>	<u><u>\$ 2,331,259</u></u>	<u><u>\$ 3,831,583</u></u>

The accompanying notes to financial statements
are an integral part of this statement.

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
STATEMENT OF ACTIVITIES AND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions	\$ 1,364,714	\$ 662,310	\$ 2,027,024
Investment income	112,557	58,371	170,928
	<u>1,477,271</u>	<u>720,681</u>	<u>2,197,952</u>
	<u>3,101,175</u>	<u>(3,101,175)</u>	<u>-</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
EXPENSES			
Program services	3,638,981	-	3,638,981
General and administrative	189,570	-	189,570
Fundraising	285,557	-	285,557
	<u>4,114,108</u>	<u>-</u>	<u>4,114,108</u>
	464,338	(2,380,494)	(1,916,156)
CHANGE IN NET ASSETS			
NET ASSETS AT JUNE 30, 2019	<u>969,090</u>	<u>7,944,093</u>	<u>8,913,183</u>
NET ASSETS AT JUNE 30, 2020	<u>\$ 1,433,428</u>	<u>\$ 5,563,599</u>	<u>\$ 6,997,027</u>

The accompanying notes to financial statements
are an integral part of this statement.

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	For the Year Ended June 30, 2021				For the Year Ended June 30, 2020			
	Program Services	General and Administrative	Fundraising	Total	Program Services	General and Administrative	Fundraising	Total
Campus Center	\$ 4,438,500	\$ -	\$ -	\$ 4,438,500	\$ 2,524,500	\$ -	\$ -	\$ 2,524,500
Institutional support	1,149,434	-	13,631	1,163,065	740,436	-	10,080	750,516
Scholarships	463,297	-	-	463,297	310,766	-	-	310,766
Salaries and benefits	60,796	149,954	190,672	401,422	60,110	142,113	187,134	389,357
Marketing and development	-	-	64,824	64,824	-	-	36,173	36,173
Office and administrative	182	21,047	22,146	43,375	135	16,201	18,279	34,615
Professional fees	-	16,600	6,600	23,200	-	16,896	7,475	24,371
Payroll taxes	3,248	8,618	10,644	22,510	3,034	7,914	10,051	20,999
Insurance expense	-	2,486	-	2,486	-	1,725	-	1,725
Depreciation	-	893	-	893	-	630	-	630
Travel	-	162	650	812	-	4,091	16,365	20,456
Total expenses	<u>\$ 6,115,457</u>	<u>\$ 199,760</u>	<u>\$ 309,167</u>	<u>\$ 6,624,384</u>	<u>\$ 3,638,981</u>	<u>\$ 189,570</u>	<u>\$ 285,557</u>	<u>\$ 4,114,108</u>

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

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>\$ (3,165,444)</u>	<u>\$ (1,916,156)</u>
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH AND CASH EQUIVALENTS USED IN OPERATING ACTIVITIES:		
Depreciation	893	630
Realized and unrealized gain on investments	(155,644)	(49,182)
(Increase) decrease in cash held on behalf of Forman Christian College	(238,493)	431,225
(Increase) decrease in pledges and other receivables	(196,367)	172,217
(Increase) decrease in prepaid expenses	(3,755)	3,290
Increase (decrease) in due to Forman Christian College	238,493	(431,225)
Decrease in accrued grants payable	(28,855)	(69,151)
Increase in accounts payable	1,891	4,252
Total adjustments	<u>(381,837)</u>	<u>62,056</u>
Net cash and cash equivalents used in operating activities	<u>(3,547,281)</u>	<u>(1,854,100)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of certificates of deposit and money market funds	2,898,946	2,965,878
Purchases of investments	(118,078)	(152,607)
Purchases of property and equipment	-	(2,036)
Net cash and cash equivalents provided by investing activities	<u>2,780,868</u>	<u>2,811,235</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(766,413)	957,135
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>3,474,320</u>	<u>2,517,185</u>
CASH AND CASH EQUIVALENTS		
End of year	<u><u>\$ 2,707,907</u></u>	<u><u>\$ 3,474,320</u></u>

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

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Friends of Forman Christian College, Inc. (the "Organization") is a not-for-profit corporation dedicated to supporting the high-quality educational mission of Forman Christian College (the "College") to develop informed, ethical and responsible citizens of Pakistan who exemplify the College's motto, "By love serve one another." The primary mission of the Organization is to secure funding for the College for capital projects to improve campus infrastructure and programs; for scholarships and other key initiatives for students at Forman Christian College, especially for those students marginalized by reason of gender, class, ethnicity, religion or economic status; and for key missionary personnel in support of academic, administrative and spiritual life programs of the College. The College is located in Lahore, Pakistan.

The College is located on land owned by subsidiaries of the Presbyterian Church (USA) ("PCUSA"). PCUSA approached the Organization to propose transferring the land to the Organization as PCUSA seeks to terminate ownership of certain properties located outside of the USA. The Organization and PCUSA are awaiting final documentation before effecting the transfer in Pakistan. Upon execution of a trust agreement, PCUSA will transfer the land to FFCC Educational Trust ("Trust") and appoint FFCC Holdings, Inc. ("Holdings") as the sole Trustee of the Trust. The transfer process was delayed during the year ended June 30, 2021 due to the shutdown of the United States Embassy in Pakistan in response to COVID-19 (see Note 11).

B. The Organization's policy is to prepare its financial statements on the accrual basis of accounting in conformity with accounting policies generally accepted in the United States of America; consequently, contributions are recognized when earned and expenses are recognized when the obligation is incurred.

C. The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 reported period. Actual results could differ from those estimates.

D. Cash equivalents at June 30, 2021 and 2020 consist primarily of money market accounts. The Organization considers all short-term, interest-bearing deposits with maturities of three months or less to be cash equivalents.

The Organization maintains cash balances at financial institutions which may, at times, exceed the federally insured limits. Management periodically reviews the financial viability of the institutions and does not anticipate any credit risk related losses.

E. Certificates of deposit that are not debt securities are reported at fair market value plus accrued interest in the accompanying Statements of Financial Position. Certificates of deposit with original maturities greater than three months and remaining maturities less than one year are

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

classified as current assets. Individual certificates of deposit never exceed the federally-insured limit of \$250,000. The interest rates for all certificates of deposit is 1.75%. Certificates of deposit totaling \$1,504,172 as of June 30, 2020 are classified as current assets on the Statements of Financial Position. During the year ended June 30, 2021, the Organization redeemed all of the certificates of deposit at their maturity date.

F. The Organization records unconditional pledges in the period made by donors and allowances are provided for amounts estimated as uncollectible. All contributions are available for unrestricted purposes unless specifically restricted by the donor. At June 30, 2021 and 2020, all pledges receivable were considered collectible.

G. Purchased property and equipment exceeding \$500 is stated at cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. Depreciation expense was \$893 and \$630 for the years ended June 30, 2021 and 2020, respectively.

H. Investments, which consist of a money market fund and mutual funds, are stated at fair value. Investment income and realized and unrealized gains and losses are recorded as changes in net assets without donor restrictions or net assets with donor restrictions depending on any donor stipulations on the use of the income.

I. The Organization classifies net assets and revenues, expenses, gains and losses 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 use in general operations and not subject to donor or grantor restrictions. The governing Board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net assets with donor restrictions - Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature; for example, restrictions that may or will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature; for example, stipulating that resources be maintained in perpetuity. The donors of these assets permit the Organization to use all of the income earned on related investments for general or specific purposes. More specifically, items included in net assets with donor restrictions are gifts for which restrictions have not been met.

When restrictions expire (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 reported in the Statements of Activities and Net Assets as "net assets released from restrictions."

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

J. The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a performance requirement or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

K. 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 expenses that are allocated include general office and travel, which are allocated based on their specific function, as well as salaries and benefits, which are allocated on the basis of estimated time and effort.

L. The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to tax. The Organization had no unrelated business income for the years ended June 30, 2021 and 2020.

M. Certain prior year amounts have been reclassified to conform to the current year financial statement presentation.

N. Subsequent events have been evaluated by management through October 15, 2021, the date these financial statements were available to be issued.

2. LIQUIDITY

Financial assets available for general expenditure without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, are as follow as of June 30:

	<u>2021</u>	<u>2020</u>
Financial assets:		
Cash and cash equivalents	\$ 2,707,907	\$ 3,474,320
Certificates of deposit and money market funds	-	2,903,118
Investment securities	915,384	637,490
Pledges and other receivables	298,828	102,461
	<hr/>	<hr/>
Total financial assets, at year end	3,922,119	7,117,389
Less amounts unavailable for general expenditure:		
Grant payable to Forman Christian College	(84,787)	(113,642)
Net assets with donor restrictions	(1,390,442)	(4,912,957)
Donor restrictions for perpetual purposes	(915,384)	(637,490)
	<hr/>	<hr/>
Financial assets available for general expenditures	<u>\$ 1,531,506</u>	<u>\$ 1,453,300</u>

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

3. DUE TO FORMAN CHRISTIAN COLLEGE

The Organization acts as an agent on behalf of the College for funds held in bank accounts. These funds, which totaled \$407,640 and \$169,147 at June 30, 2021 and 2020, respectively, are reported as an asset and a liability in the accompanying Statements of Financial Position.

4. PLEDGES RECEIVABLE

At June 30, 2021 and 2020, the Organization had pledges receivable of \$269,553 and \$87,683, respectively, which are all receivable in less than one year.

5. FAIR VALUE MEASUREMENTS

U.S. generally accepted accounting principles establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Level 1 within the hierarchy states that valuation is based on unadjusted quoted market prices for identical assets or liabilities in active markets. Level 2 within the hierarchy states that valuations are based on observable inputs other than Level 1 prices, such as quoted market prices for similar assets, quoted market prices in inactive markets and other inputs that may be corroborated by observable market data. Level 3 within the hierarchy states that valuations are based upon unobservable inputs. As of June 30, 2021 and 2020, the only assets or liabilities that are measured at fair value on a recurring basis in periods subsequent to initial recognition are investments.

The Organization's investments consist of a money market fund and mutual funds which are valued at the closing price reported on the active market on which the individual securities are traded and are all Level 1 investments.

Investment income consists of the following for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Interest and dividend income	\$ 18,801	\$ 136,752
Realized and unrealized gains	155,644	49,182
Investment fees	<u>(4,885)</u>	<u>(15,006)</u>
Total investment income	<u>\$ 169,560</u>	<u>\$ 170,928</u>

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

6. BOARD DESIGNATED NET ASSETS

At June 30, 2021 and 2020, Board-designated net assets consist of \$1,500,324 and \$1,433,428, respectively, designated as an operating reserve for the Organization.

7. NET ASSETS WITH DONOR RESTRICTIONS

Changes to net assets with donor restrictions are as follows:

	<u>June 30,</u> <u>2020</u>	<u>Additions</u>	<u>Released from</u> <u>Restrictions</u>	<u>June 30,</u> <u>2021</u>
Subject to expenditure for specified purpose:				
Capital project - Student Center	\$ 4,856,550	\$ 770,771	\$ (4,438,500)	\$ 1,188,821
Capital projects - other	-	748,663	(606,163)	142,500
Scholarships	4,667	508,118	(502,484)	10,301
Information technology upgrades	-	63,750	(63,750)	-
Missionary support	51,740	191,807	(194,727)	48,820
	<u>4,912,957</u>	<u>2,283,109</u>	<u>(5,805,624)</u>	<u>1,390,442</u>
Subject to the passage of time:				
Promises to give that are not restricted by donors, but which are unavailable for expenditure until received	13,152	64,033	(51,752)	25,433
Subject to the Organization's endowment spending and appropriation:				
Endowment	637,490	300,063	(22,169)	915,384
	<u>\$ 5,563,599</u>	<u>\$ 2,647,205</u>	<u>\$ (5,879,545)</u>	<u>\$ 2,331,259</u>

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	<u>June 30,</u> <u>2019</u>	<u>Additions</u>	<u>Released from</u> <u>Restrictions</u>	<u>June 30,</u> <u>2020</u>
Subject to expenditure for specified purpose:				
Capital project - Student Center	\$ 7,311,066	\$ 69,984	\$ (2,524,500)	\$ 4,856,550
Scholarships	2,975	299,326	(297,634)	4,667
Missionary support	152,150	106,240	(206,650)	51,740
	<u>7,466,191</u>	<u>475,550</u>	<u>(3,028,784)</u>	<u>4,912,957</u>
Subject to the passage of time:				
Promises to give that are not restricted by donors, but which are unavailable for expenditure until received	41,025	33,752	(61,625)	13,152
Subject to the Organization's endowment spending and appropriation:				
Endowment	436,877	211,379	(10,766)	637,490
	<u>\$ 7,944,093</u>	<u>\$ 720,681</u>	<u>\$ (3,101,175)</u>	<u>\$ 5,563,599</u>

Student Center contributions are invested in money market accounts and certificates of deposit to safeguard the funds in the U.S. Grants are made to the College as funds are needed to pay for construction expenditures for the new Student Center.

8. ENDOWMENT

The Organization has established an endowment to provide scholarships for students at the College. As required by U.S. generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

The Organization has interpreted the Georgia Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies the original value of gifts donated to the permanent endowment, the original value of subsequent gifts to the permanent endowment and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund as permanently restricted net assets. The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature is classified as restricted until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund;
- (2) The purposes of the Organization and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the Organization; and,
- (7) The investment policies of the Organization.

The composition of endowment funds and their change in net assets for the years ended are as follows:

	2021	2020
Endowment net assets, beginning of year	\$ 637,490	\$ 436,877
Contributions	128,499	153,008
Investment return:		
Investment income	14,545	10,365
Net realized and unrealized gain	157,019	48,006
Amounts appropriated for expenditure	(22,169)	(10,766)
Endowment net assets, end of year	\$ 915,384	\$ 637,490

The Organization has adopted investment and spending policies that attempt to balance providing student scholarships with preservation and growth of endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that track common benchmarks for a balanced portfolio, while assuming a moderate level of risk.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

FRIENDS OF FORMAN CHRISTIAN COLLEGE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

9. RETIREMENT SAVINGS PLAN

The Organization offers retirement contributions to a 403(b) plan sponsored by the Presbyterian Church (USA)'s Board of Pensions. The Organization previously contributed ten percent of each employee's salary to the plans as a retirement contribution. During the year ended June 30, 2021, the Organization amended the contribution rate to the first five percent of each employee's salary and then a match of up to two and half percent of the employee's retirement contribution. The Organization's contributions totaled \$43,669 and \$46,980 for the years ended June 30, 2021 and 2020, respectively. The Organization also contributed to retirement plans for missionaries working directly with the College. The retirement contributions for missionaries totaled \$19,278 and \$37,591 for the years ended June 30, 2021 and 2020, respectively.

10. CONCENTRATION

All of the Organization's revenues are from contributions from churches, private foundations and individuals. Total contributions received during the years ended June 30, 2021 and 2020 were \$3,260,305 and \$2,027,024, respectively. The top three donors contributed approximately 60% and 62% of the Organization's contributions for the years ended June 30, 2021 and 2020, respectively.

11. CORONAVIRUS PANDEMIC

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") a pandemic, with the outbreak widespread across the world. The Organization's Board and management are actively monitoring the domestic impact of COVID-19, as well as the impact on the College. Management has adjusted operations accordingly during the pandemic in order to actively seek ways to moderate operating expenses while remaining fully committed to continuing to provide institutional support to the College.