

**MISSISSIPPI UNIVERSITY FOR WOMEN
FOUNDATION, INC.**

Audited Financial Statements

June 30, 2023 and 2022

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Mississippi University for Women Foundation, Inc.

Opinion

We have audited the accompanying financial statements of Mississippi University for Women Foundation, Inc. (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2023 and 2022, 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 Mississippi University for Women Foundation, Inc. as of June 30, 2023 and 2022, 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 of 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mississippi University for Women Foundation, Inc. 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 Mississippi University for Women Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditors' 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 Mississippi University for Women Foundation, Inc.'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 Mississippi University for Women Foundation, Inc.'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.

A handwritten signature in black ink that reads "Grantham Poole Puc".

Ridgeland, Mississippi
October 18, 2023

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Statements of Financial Position
June 30, 2023 and 2022

| | 2023 | 2022 |
|---|----------------------|----------------------|
| <u>ASSETS</u> | | |
| Cash | \$ 288,048 | \$ 470,419 |
| Restricted Cash | 254,122 | 259,674 |
| | 542,170 | 730,093 |
| Investments: | | |
| Short-Term Investments | 2,493,806 | 2,805,605 |
| Stocks, Bonds, Mutual Funds and Alternative Investments | 58,339,243 | 53,635,470 |
| Gift Annuity Program | 1,421,372 | 1,272,512 |
| Cash Surrender Value - Life Insurance | 39,762 | 39,106 |
| Total Investments | 62,294,183 | 57,752,693 |
| Pledges Receivable, Net of Discount | 106,166 | 287,872 |
| Prepaid Expenses | 18,907 | 29,399 |
| Other Assets | 59,760 | 45,000 |
| | 184,833 | 362,271 |
| Furniture, Fixtures and Equipment at Cost, Less | | |
| Accumulated Depreciation 2023, \$129,282; 2022, \$115,348 | 128,204 | 142,137 |
| Total Assets | \$ 63,149,390 | \$ 58,987,194 |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| Liabilities: | | |
| Accounts Payable | \$ 382,510 | \$ 262,669 |
| Liabilities Under Split Interest Agreements | 645,423 | 610,713 |
| Refundable Advances | 172,200 | 122,700 |
| Long-Term Debt | 59,298 | 71,052 |
| Total Liabilities | 1,259,431 | 1,067,134 |
| Net Assets: | | |
| Net Assets Without Donor Restrictions | 2,279,835 | 2,126,152 |
| Net Assets With Donor Restrictions | 59,610,124 | 55,793,908 |
| Total Net Assets | 61,889,959 | 57,920,060 |
| Total Liabilities and Net Assets | \$ 63,149,390 | \$ 58,987,194 |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Statement of Activities
Year Ended June 30, 2023

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|--|---------------------------------------|------------------------------------|----------------------|
| Revenues and Support: | | | |
| Contributions | \$ 233,341 | \$ 2,683,853 | \$ 2,917,194 |
| Investment Income, Net of Investment Expense | - | 1,346,064 | 1,346,064 |
| Net Realized and Unrealized Loss on Investments | - | 4,275,528 | 4,275,528 |
| Change in Split Interest Agreements | - | (106,031) | (106,031) |
| Other Income | 14,428 | 385,581 | 400,009 |
| In-kind Contributions - Other | 958 | 29,569 | 30,527 |
| Net Assets Released From Restrictions | 4,798,348 | (4,798,348) | - |
| Total Revenues and Support | <u>5,047,075</u> | <u>3,816,216</u> | <u>8,863,291</u> |
| Expenses: | | | |
| Program Services | 4,234,991 | - | 4,234,991 |
| Total Program Services | <u>4,234,991</u> | <u>-</u> | <u>4,234,991</u> |
| Support Services: | | | |
| Fundraising | 347,066 | - | 347,066 |
| Management and General | 311,335 | - | 311,335 |
| Total Support Services | <u>658,401</u> | <u>-</u> | <u>658,401</u> |
| Total Expenses | <u>4,893,392</u> | <u>-</u> | <u>4,893,392</u> |
| Changes in Net Assets | 153,683 | 3,816,216 | 3,969,899 |
| Net Assets at Beginning of Year | <u>2,126,152</u> | <u>55,793,908</u> | <u>57,920,060</u> |
| Net Assets at End of Year | <u>\$ 2,279,835</u> | <u>\$ 59,610,124</u> | <u>\$ 61,889,959</u> |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Statement of Activities
Year Ended June 30, 2022

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|---------------------------------------|------------------------------------|----------------------|
| Revenues and Support: | | | |
| Contributions | \$ 440,801 | \$ 3,325,373 | \$ 3,766,174 |
| Investment Income, Net of Investment Expense | - | 1,347,863 | 1,347,863 |
| Net Realized and Unrealized Loss on Investments | - | (7,461,066) | (7,461,066) |
| Change in Split Interest Agreements | - | (79,551) | (79,551) |
| Other Income | 4,729 | 160,785 | 165,514 |
| In-kind Contributions - Salaries | 12,603 | - | 12,603 |
| In-Kind Contributions - Other | 1,495 | 9,281 | 10,776 |
| Net Assets Released from Restrictions | 3,736,797 | (3,736,797) | - |
| Total Revenues and Support | 4,196,425 | (6,434,112) | (2,237,687) |
| Expenses: | | | |
| Program Services | 3,499,837 | - | 3,499,837 |
| Total Program Services | 3,499,837 | - | 3,499,837 |
| Support Services | | | |
| Fundraising | 295,743 | - | 295,743 |
| Management and General | 278,129 | - | 278,129 |
| Total Support Services | 573,872 | - | 573,872 |
| Total Expenses | 4,073,709 | - | 4,073,709 |
| Changes in Net Assets | 122,716 | (6,434,112) | (6,311,396) |
| Net Assets at Beginning of Year | 2,003,436 | 62,228,020 | 64,231,456 |
| Net Assets at End of Year | \$ 2,126,152 | \$ 55,793,908 | \$ 57,920,060 |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Statement of Functional Expenses
Year Ended June 30, 2023

| | <u>Scholarships</u> | <u>Chairs</u> | <u>College</u> | <u>Other</u> | <u>Total Program Services</u> | <u>Fundraising</u> | <u>Management and General</u> | <u>Total</u> |
|------------------------------------|---------------------|-------------------|-------------------|---------------------|---------------------------------------|--------------------|---------------------------------------|---------------------|
| Salaries and Benefits | \$ 34,988 | \$ 3,588 | \$ 1,346 | \$ 4,934 | \$ 44,856 | \$ 48,000 | \$ 88,398 | \$ 181,254 |
| Student President Fund Development | - | - | 2,653 | - | 2,653 | - | - | 2,653 |
| Depreciation | 25,600 | 3,600 | 1,200 | 4,000 | 40,000 | 40,000 | - | 80,000 |
| Bank Fees | - | - | - | - | - | - | 13,934 | 13,934 |
| University Priorities | - | - | 10,318 | 10,317 | 20,635 | - | 176 | 176 |
| Special Projects | - | - | 20,072 | 20,072 | 40,144 | 40,142 | - | 20,635 |
| Travel and Subsistence | - | - | 20,072 | 20,072 | 40,144 | 40,142 | 40,142 | 120,428 |
| Gift In-kind | 77,316 | 1,380 | 2,607 | 1,534 | 82,837 | 15,337 | 112 | 98,286 |
| Fundraising | - | - | 575 | 287 | 862 | - | 96 | 958 |
| On-Line Giving Services | 44,714 | 6,288 | 2,096 | 6,987 | 69,866 | 69,867 | - | 139,733 |
| Office | 3,460 | 487 | 162 | 1,297 | 5,406 | 5,407 | - | 10,813 |
| Insurance | - | - | - | - | - | - | 10,461 | 10,461 |
| Postage | 914 | 129 | 43 | 143 | 1,428 | - | 3,752 | 5,180 |
| President's Home | - | - | - | - | - | 28,325 | 28,324 | 56,649 |
| Professional Fees | - | - | - | - | - | - | 5,407 | 5,407 |
| Charitable Registration Costs | - | - | - | - | - | - | 28,947 | 28,947 |
| Marketing | - | - | 52,500 | 52,500 | 105,000 | - | 7,925 | 7,925 |
| Printing | - | - | - | - | - | - | - | 105,000 |
| Maintenance | 36,359 | 5,113 | 1,704 | 5,681 | 56,811 | 56,810 | 56,810 | 170,431 |
| Promotional Meals and Gifts | 17,185 | 2,417 | 806 | 2,685 | 26,851 | 26,851 | 26,851 | 80,553 |
| Gift Annuity Management Fee | - | - | - | - | - | 16,327 | - | 16,327 |
| Endowment Expenses | 12,559 | - | 1,092 | - | 13,651 | - | - | 13,651 |
| University Expenses | 1,276,193 | 179,465 | 59,822 | 478,572 | 1,994,052 | - | - | 1,994,052 |
| University Support Scholarships | - | - | 284,560 | 809,900 | 1,094,460 | - | - | 1,094,460 |
| Interest Expense | 633,743 | - | - | - | 633,743 | - | - | 633,743 |
| | - | - | - | 1,736 | 1,736 | - | - | 1,736 |
| Total Expenses | \$ 2,163,031 | \$ 202,467 | \$ 441,556 | \$ 1,400,645 | \$ 4,234,991 | \$ 347,066 | \$ 311,335 | \$ 4,893,392 |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Statement of Functional Expenses
Year Ended June 30, 2022

| | <u>Scholarships</u> | <u>Chairs</u> | <u>College</u> | <u>Other</u> | <u>Total Program Services</u> | <u>Fundraising</u> | <u>Management and General</u> | <u>Total</u> |
|---------------------------------|---------------------|-------------------|-------------------|-------------------|---------------------------------------|--------------------|---------------------------------------|---------------------|
| Salaries and Benefits | \$ 54,916 | \$ 12,829 | \$ 4,833 | \$ 15,289 | \$ 87,867 | \$ 24,000 | \$ 78,298 | \$ 190,165 |
| Student President Fund | - | - | 3,840 | - | 3,840 | - | - | 3,840 |
| Development | 21,951 | 5,038 | 2,159 | 6,838 | 35,986 | 35,987 | - | 71,973 |
| Depreciation | - | - | - | - | - | - | 13,934 | 13,934 |
| Bank Fees | - | - | - | - | - | - | 24 | 24 |
| University Priorities | - | - | 8,068 | 8,069 | 16,137 | - | - | 16,137 |
| Special Projects | - | - | 19,134 | 19,134 | 38,268 | 38,267 | 38,267 | 114,802 |
| Travel and Subsistence | 23 | 5 | 23,185 | 7 | 23,220 | 37,165 | - | 60,385 |
| Gift In-kind | - | - | 1,837 | 919 | 2,756 | - | 306 | 3,062 |
| Fundraising | 32,969 | 7,567 | 3,243 | 10,269 | 54,048 | 54,049 | - | 108,097 |
| On-Line Giving Services | 3,311 | 760 | 326 | 1,031 | 5,428 | 5,429 | - | 10,857 |
| Office | - | - | - | - | - | - | 6,807 | 6,807 |
| Insurance | - | - | - | - | - | - | 5,065 | 5,065 |
| Postage | - | - | - | - | - | 16,463 | 16,464 | 32,927 |
| President's Home | - | - | - | - | - | - | 5,013 | 5,013 |
| Professional Fees | - | - | - | - | - | - | 27,080 | 27,080 |
| Charitable Registration Costs | - | - | - | - | - | - | 13,802 | 13,802 |
| Printing | 28,121 | 6,454 | 2,766 | 8,759 | 46,100 | 46,100 | 46,100 | 138,300 |
| Maintenance | 12,290 | 2,821 | 1,209 | 3,828 | 20,148 | 20,147 | 20,148 | 60,443 |
| Promotional Meals and Gifts | - | - | - | - | - | 18,136 | - | 18,136 |
| Gift Annuity Management Fee | 10,299 | - | - | - | 10,299 | - | 4,847 | 15,146 |
| Endowment Expenses | 1,531,646 | 190,658 | 50,742 | - | 1,773,046 | - | - | 1,773,046 |
| University Expenses | - | - | 181,766 | 887,443 | 1,069,209 | - | - | 1,069,209 |
| University Support Scholarships | 313,485 | - | - | - | 313,485 | - | - | 313,485 |
| Interest Expense | - | - | - | - | - | - | 1,974 | 1,974 |
| Total Expenses | \$ 2,009,011 | \$ 226,132 | \$ 303,108 | \$ 961,586 | \$ 3,499,837 | \$ 295,743 | \$ 278,129 | \$ 4,073,709 |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.

Statements of Cash Flows

Years Ended June 30, 2023 and 2022

| | 2023 | 2022 |
|--|--------------------|--------------------|
| Cash Flows From Operating Activities: | | |
| Change in Net Assets | \$ 3,969,899 | \$ (6,311,396) |
| Adjustments to Reconcile Change in Net Assets to Cash (Used in) Operating Activities: | | |
| Depreciation | 13,934 | 13,934 |
| Increase in Cash Value of Life Insurance | (656) | (907) |
| Net Realized and Unrealized Losses (Gains) on Investments | (4,275,528) | 7,461,066 |
| Change in Split Interest Agreements | 106,031 | 79,551 |
| Contributions Restricted for Long-Term Purposes | (1,229,740) | (1,500,334) |
| Contributions from Split-Interest Agreements | (101,054) | (42,480) |
| (Increase) Decrease In: | | |
| Pledges Receivable | 181,706 | 242,865 |
| Prepaid Expenses | 10,491 | 13,557 |
| Other Assets | (14,761) | - |
| Increase (Decrease) In: | | |
| Accounts Payable | 119,842 | (1,338,656) |
| Refundable Advance | 49,500 | 122,700 |
| Net Cash Used In Operating Activities | (1,170,336) | (1,260,100) |
| Cash Flows From Investing Activities: | | |
| Purchases of Investments | (14,825,968) | (21,617,959) |
| Proceeds from Sales of Investments and Other | 14,560,662 | 20,063,192 |
| Net Cash Used In Investing Activities | (265,306) | (1,554,767) |
| Cash Flows From Financing Activities: | | |
| Contributions Restricted for Long-Term Purposes | 1,229,740 | 1,500,334 |
| Proceeds for New Split-Interest Agreements | 150,000 | 90,000 |
| Payments to Split Interest Agreement Beneficiaries | (120,267) | (106,779) |
| Payments on Long-Term Debt | (11,754) | (11,515) |
| Net Cash Provided By Financing Activities | 1,247,719 | 1,472,040 |
| Net Change in Cash and Restricted Cash | (187,923) | (1,342,827) |
| Cash and Restricted Cash, at Beginning of Year | 730,093 | 2,072,920 |
| Cash and Restricted Cash, at End of Year | \$ 542,170 | \$ 730,093 |
| Supplemental Disclosure of Cash Flow Information: | | |
| Cash Paid During the Year for Interest | \$ 1,736 | \$ 1,974 |
| Cash and Restricted Cash, at Year End: | | |
| Cash | \$ 288,048 | \$ 470,419 |
| Restricted Cash | 254,122 | 259,674 |
| | \$ 542,170 | \$ 730,093 |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Mississippi University for Women Foundation, Inc. (the Foundation) is a Mississippi not-for-profit corporation chartered June 4, 1965. Its purpose is to promote leadership and financial support to the Mississippi University for Women (the University).

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenditures are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as release from restrictions between two classifications of assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded as revenue at their estimated fair value at date of gift.

Income and realized and unrealized gains and losses on investments of net assets are reported as follows:

- as increases in net assets with donor restrictions if the terms of the gift or the Foundation's interpretation of relevant state law require that gains be added to the principal of a permanent endowment fund;
- as increases or decreases in net assets with donor restrictions if the terms of the gift impose restrictions on their use; and
- as increases or decreases in net assets without donor restrictions in all other cases.

The Foundation is governed subject to its Bylaws and operates through an Affiliation Agreement with the Mississippi University for Women.

The Foundation accepts and manages funds with donor restrictions and without donor restrictions for the benefit of the University. In accordance with the Foundation's investment and spending policies, each fund with donor restrictions is maintained individually within the Foundation.

The Foundation's Board of Directors is responsible for the fiduciary management of all funds, including endowed funds, and approves the establishment of the spending rate associated with endowed funds. Endowments are governed by endowment agreements detailing the fund's purpose and guidelines for its use.

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Net Asset Presentation

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

Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions. Contributions gifted for recurring programs are generally not considered “restricted” under accounting principles generally accepted in the United States of America (GAAP). Net assets restricted solely through the actions of the Board, if any, are reported as net assets without donor restrictions, board designated.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that are more restrictive than the Foundation’s general purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Estimates

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

Furniture, Fixtures, and Equipment

Furniture, fixtures and equipment are stated at cost less accumulated depreciation. The depreciation policy of the Foundation is to provide for depreciation over the estimated useful life of the assets using the straight line method. Major additions in excess of \$1,000 are capitalized and depreciated over 5 – 25 years, while minor additions are expensed as incurred. The depreciation expense for the years ended June 30, 2023 and 2022, was \$13,934 and \$13,934, respectively.

Cash and Cash Equivalents

In general, for purposes of the statement of cash flows, the Foundation considers all highly-liquid investments available for current use with original maturities of three months or less to be cash equivalents.

Income Taxes

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except for small amount of taxes on income from activities unrelated to its exempt purpose. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

GAAP outlines the accounting for uncertainty in income taxes in a Foundation’s financial statements and prescribes a recognition threshold and measurement attribute for tax positions taken or expected to be taken on a tax return including the Foundation’s status as a tax-exempt Foundation. Additionally, GAAP provides guidance on derecognition, classification,

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Income Taxes (Continued)

interest and penalties, accounting in interim periods, and disclosure. The Foundation had no significant uncertain tax positions at June 30, 2023 and 2022, respectively. If interest and penalties are incurred related to uncertain tax positions, such amounts are recognized as income tax expense in the statement of activities. As of June 30, 2023, periods for tax years 2022, 2021, and 2020 remain open to examination by the federal and state taxing jurisdictions to which the Foundation is subject.

Fair Value Measurements

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements that involve significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- a) Level 1: Unadjusted quoted prices for identical assets or liabilities in active markets that are observable at the measurement date;
- b) Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets, or other inputs that are observable or can be corroborated by observable market data; and
- c) Level 3: Significant unobservable inputs for the asset or liability that reflects the Foundation's own estimates about the assumptions that market participants would use in pricing the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based upon the lowest level input that is significant to the fair value measurement in its entirety. In accordance with Accounting Standards Update (ASU) 2015-07, *Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, investments that are eligible to be measured at fair value using the net asset value per share practical expedient are not required to be categorized within the fair value hierarchy. Net Asset Value (NAV) is used as a practical expedient to estimate the fair value of such investments unless it is probable that all or a portion of the investment will be sold for an amount different from net asset value.

The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. The Foundation also uses NAV to determine the fair value for alternative investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have attributes of an investment company.

Investments

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 or losses are included in the change in net assets in the accompanying statements of activities. Net investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions 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.

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Spending Rate Policy

The Foundation has a policy of appropriating, for distribution each year, 4.25 percent of its endowment net investment assets calculated on a trailing twelve quarter moving average. The calculation is based on the twelve-quarter moving average that ends on the June 30 two years prior to the fiscal year end in which the distribution is planned. The spending rate is based upon a cumulative "total return" approach, which utilizes both income and capital appreciation to be withdrawn for spending.

In establishing the current spending rate, the Foundation anticipates the current spending policy will provide long term growth of its endowment funds. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as provide additional growth through the creation of new endowments or the designation of gifts to existing endowments.

Investment Policy

The Foundation maintains an Investment Policy Statement for the investment of its endowment fund (the Fund). The Board has delegated management of the Fund's investment portfolio to the Investment Committee (the Committee). The Committee is responsible for monitoring investment performance, including the performance of investment consultants and managers.

The primary investment objective of the endowment fund is to achieve an annualized total return (net of fees and expense), through appreciation and income, equal or greater than the rate of inflation (as measured by the broad, domestic Consumer Price Index) plus any spending and administrative expenses thus, at a minimum maintaining the purchasing power of the Fund. The assets are to be managed in a manner that will meet the primary investment objective, while at the same time attempting to limit volatility in year-to-year spending.

In making and implementing investment decisions, the Committee has a duty to diversify the investments unless, under special circumstances, the purposes of the Fund are better served without diversifying. In addition, the Committee must conform to fundamental fiduciary duties of loyalty and impartiality.

The Committee understands the longer-term nature of the Fund and believes that investing in assets with higher return expectations outweighs their short-term volatility risk. As a result, most assets will be invested in equity or equity-like securities, including real assets (real estate and natural resources). Fixed income and absolute return strategies will be used to lower short-term volatility and provide stability, especially during periods of deflation and negative equity markets. Cash is not a strategic asset of the Fund but is a residual to the investment process and used to meet short-term needs.

Functional Allocation of Expenses

The financial statements present expenses by functional classification in accordance with the overall service mission of the Association. Each functional classification displays all expenses related to the underlying operations by natural classification. Accordingly, certain costs have been allocated among program, fundraising and management and general services.

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

New Lease Standard

Effective July 1, 2022 the Foundation elected to adopt FASB issued ASU 2016-02, Leases (Topic 842), which clarifies the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract. The Foundation did not have any leases during 2023, therefore, the adoption of the new standard did not have a significant impact on the Foundation's financial statements.

Subsequent Events

Management has evaluated subsequent events through October 18, 2023, the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditures within one year of the current statement of financial position date, are comprised of the following:

| | <u>2023</u> | <u>2022</u> |
|-------------------------------------|-------------------|-------------------|
| Cash | \$ 288,048 | \$ 470,419 |
| Pledge Receivables, Current Portion | 106,166 | 186,031 |
| | <u>\$ 394,214</u> | <u>\$ 656,450</u> |

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures and liabilities become due.

| | <u>2023</u> | <u>2022</u> |
|-------------------------------|-------------------|-------------------|
| Donor Restricted Expenditures | \$ 185,630 | \$ 153,957 |
| General Expenditures | 196,880 | 108,712 |
| Total Accounts Payable | <u>\$ 382,510</u> | <u>\$ 262,669</u> |

The general expenditures accounts payable will be paid with unrestricted cash while the donor restricted expenditures accounts payable will be paid with restricted cash and the liquidation of donor restricted investments.

NOTE 3 IN-KIND CONTRIBUTIONS

In compliance with FASB Update No. 2020-07, *Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Non-Financial Assets*. In-kind contributions with a determinable market value are recorded on the Foundation's records upon receipt. In-kind other including gift cards, books and other donated items with a value of \$30,527 and \$10,776 was recognized in the Statement of Activities at June 30, 2023 and 2022, respectively. In-kind salaries with an estimated fair value of \$12,603 was recorded at June 30, 2022.

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments are recorded at fair value. A summary of investments is as follows:

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|----------------------|----------------------|
| Short-Term Investments | \$ 2,493,806 | \$ 2,805,605 |
| Equity Securities | 40,399,762 | 37,127,365 |
| Stock Mutual Funds | 6,990,018 | 6,328,991 |
| Fixed Income Securities | 4,032,682 | 3,208,095 |
| Limited Partnership Interests | 508,637 | 865,307 |
| Alternative Investments | 7,829,516 | 7,378,224 |
| Cash Surrender Value - Life Insurance | 39,762 | 39,106 |
| | <u>\$ 62,294,183</u> | <u>\$ 57,752,693</u> |

As of June 30, 2023 and 2022, the estimated fair value of the Foundation's alternative investments to which the Foundation applied NAV or its equivalent as a practical expedient relative to the determination of fair value totaled \$7,829,516 and \$7,378,224, respectively. The limitations and restrictions on the Foundation's ability to redeem or sell these investments vary by investment type. Based upon the terms and conditions in effect at June 30, 2023 and 2022, these investments can be redeemed or sold as follows:

| <u>2023</u> | <u>Fair Value</u> | <u>Unfunded Commitments</u> | <u>Redemption Frequency</u> | <u>Redemption Notice</u> |
|-----------------------------------|---------------------|-----------------------------|-----------------------------|--------------------------|
| Hedge Funds (a) | \$ 4,145,085 | \$ - | Quarterly | 61 days |
| Perpetual Private Equity Fund (b) | 2,721,182 | - | Quarterly | 67 days |
| Non Traded REIT Fund (c) | 963,249 | - | Monthly | 1 day |
| | <u>\$ 7,829,516</u> | <u>\$ -</u> | | |

| <u>2022</u> | <u>Fair Value</u> | <u>Unfunded Commitments</u> | <u>Redemption Frequency</u> | <u>Redemption Notice</u> |
|-----------------------------------|---------------------|-----------------------------|-----------------------------|--------------------------|
| Hedge Funds (a) | \$ 3,917,440 | \$ - | Quarterly | 61 days |
| Perpetual Private Equity Fund (b) | 2,418,344 | - | Quarterly | 67 days |
| Non Traded REIT Fund (c) | 1,042,440 | - | Monthly | 1 day |
| | <u>\$ 7,378,224</u> | <u>\$ -</u> | | |

- (a) Approximately forty-five percent of this class includes investments, the objective of which is to seek long-term total return, with an emphasis on current income, by primarily investing in a broad range of real estate-related debt instruments. The fair value of the investments in this class have been estimated using the NAV per share of the investments. At June 30, 2023 and 2022, the investments in this class could be redeemed as the investments include restrictions that allow for redemption after the first year of acquisition. Redemptions may be made quarterly, giving a 61-day notice. Once redeemed, five percent of the value of the investments in this class will be held in escrow until the completion of the fund's next annual external audit.

Approximately fifty-five percent of this class includes other alternative investments with various multi-strategy investments objectives. The fair value of the investments in this class have been estimated using the NAV per share of the investments.

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

- (b) This class includes investments in short-term investments, direct equity and debt investments in operating companies, and primary and secondary investments in private equity funds. The fair values of the investments in this class have been estimated using the NAV per share of the investments. Investments in this class could be redeemed as the investments in this class include restrictions that allow for redemption after the first year of acquisition. Redemptions may be made quarterly upon request, giving a 67-day notice. Once redeemed, five percent of the value of the investments in this class will be held in escrow until the completion of the fund's next annual external audit.
- (c) Non Traded REIT Funds Redemptions may be made monthly upon request, giving a 1-day notice.

The following tables present, for each level within the fair value hierarchy as well as assets measured at NAV, the Foundation's recurring and nonrecurring fair value measurements for assets and liabilities as of June 30, 2023 and 2022:

| June 30, 2023 | | | | |
|---|----------------------|----------------------|------------------|-------------------|
| | Total | Level 1 | Level 2 | Level 3 |
| Recurring | | | | |
| Short-Term Investments | \$ 2,493,806 | \$ 2,493,806 | \$ - | \$ - |
| Equity Securities | 40,399,762 | 40,399,762 | - | - |
| Stock Mutual Funds | 6,990,018 | 6,990,018 | - | - |
| Fixed Income Funds | 4,032,682 | 4,032,682 | - | - |
| Limited Partnership Interests | 508,637 | - | - | 508,637 |
| Cash Surrender | | | | |
| Value - Life Insurance | 39,762 | - | 39,762 | - |
| | <u>\$ 54,464,667</u> | <u>\$ 53,916,268</u> | <u>\$ 39,762</u> | <u>\$ 508,637</u> |
| Investments Using | | | | |
| Net Asset Valuation | <u>7,829,516</u> | | | |
| | <u>\$ 62,294,183</u> | | | |
| Nonrecurring | | | | |
| Liabilities Under Split-Interest Agreements | <u>\$ 645,423</u> | | | <u>\$ 645,423</u> |

| June 30, 2022 | | | | |
|---|----------------------|----------------------|------------------|-------------------|
| | Total | Level 1 | Level 2 | Level 3 |
| Recurring | | | | |
| Short-Term Investments | \$ 2,805,605 | \$ 2,805,605 | \$ - | \$ - |
| Equity Securities | 37,127,365 | 37,127,365 | - | - |
| Stock Mutual Funds | 6,328,991 | 6,328,991 | - | - |
| Fixed Income Funds | 3,208,095 | 3,208,095 | - | - |
| Limited Partnership Interests | 865,307 | - | - | 865,307 |
| Cash Surrender | | | | |
| Value - Life Insurance | 39,106 | - | 39,106 | - |
| | <u>\$ 50,374,469</u> | <u>\$ 49,470,056</u> | <u>\$ 39,106</u> | <u>\$ 865,307</u> |
| Investments Using | | | | |
| Net Asset Valuation | <u>7,378,224</u> | | | |
| | <u>\$ 57,752,693</u> | | | |
| Nonrecurring | | | | |
| Liabilities Under Split-Interest Agreements | <u>\$ 610,713</u> | | | <u>\$ 610,713</u> |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 Fair Value Measurements

Limited partnership interests are not actively traded and significant observable inputs are not available. Fair value is determined using audited financial statements of the fund and investment activity transactions. The following table provides further details of the Level 3 activity:

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|-------------------|-------------------|
| Balance, Beginning of Year | \$ 865,307 | \$ 1,164,963 |
| Purchases, Sales and Settlements, Net | 14,250 | 15,000 |
| Capital Distributions | (63,750) | (236,250) |
| Net Loss | <u>(307,170)</u> | <u>(78,406)</u> |
| Balance, End of Year | <u>\$ 508,637</u> | <u>\$ 865,307</u> |

The value of liabilities under split-interest agreements approximates fair value. The value of these annuities is based on the present value of projected future distributions to the annuity beneficiaries using appropriate discount rates. The following table provides further details of the level 3 activity:

| | <u>2023</u> | <u>2022</u> |
|----------------------------|-------------------|-------------------|
| Balance, Beginning of Year | \$ 610,713 | \$ 590,421 |
| Additions | 48,947 | 47,519 |
| Change in Valuation | 106,030 | 79,551 |
| Annuity Payments | <u>(120,267)</u> | <u>(106,778)</u> |
| Balance, End of Year | <u>\$ 645,423</u> | <u>\$ 610,713</u> |

The components of total investment return for 2023 consist of the following:

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|-----------------------------------|---------------------------------------|------------------------------------|---------------------|
| Investment Income | \$ - | \$ 1,712,010 | \$ 1,712,010 |
| Investment Expense | - | (365,946) | (365,946) |
| Net Investment Income | - | 1,346,064 | 1,346,064 |
| Net Realized and Unrealized Gains | - | 4,275,528 | 4,275,528 |
| Total Investment Return | <u>\$ -</u> | <u>\$ 5,621,592</u> | <u>\$ 5,621,592</u> |

The components of total investments return for 2022 consists of the following:

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|------------------------------------|---------------------------------------|------------------------------------|-----------------------|
| Investment Income | \$ - | \$ 1,765,636 | \$ 1,765,636 |
| Investment Expense | - | (417,773) | (417,773) |
| Net Investment Income | - | 1,347,863 | 1,347,863 |
| Net Realized and Unrealized Losses | - | (7,461,066) | (7,461,066) |
| Total Investment Return | <u>\$ -</u> | <u>\$ (6,113,203)</u> | <u>\$ (6,113,203)</u> |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 5 LIFE INSURANCE

The Foundation owns and is the beneficiary of life insurance policies which had an aggregate cash surrender value on June 30, 2023 and 2022, of \$39,762 and \$39,106, respectively. Policy premiums are paid by the insured donors through contributions to the Foundation.

NOTE 6 PLEDGES RECEIVABLE

Pledges receivable consists of unconditional promises to give to the Foundation's Capital Campaign and includes the following at June 30:

| <u>Description</u> | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| Pledges Receivable with Donor Restrictions | \$ 106,166 | \$ 306,166 |
| Less: | | |
| Unamortized Discount | - | (18,294) |
| | <u>\$ 106,166</u> | <u>\$ 287,872</u> |
| Receivable | | |
| In One Year | \$ 106,166 | \$ 186,031 |
| In Two to Five Years | - | 101,841 |
| Total | <u>\$ 106,166</u> | <u>\$ 287,872</u> |

Interest rate applicable for discounting was 3%.

NOTE 7 GIFTS OF FUTURE INTEREST

The Foundation is a beneficiary of several trusts established with various trustees. Individuals are life income beneficiaries after which the Foundation becomes an income or corpus beneficiary. The current value of the trust assets of these respective trusts at June 30, 2023 and 2022, is not readily determinable.

NOTE 8 OUTSTANDING LEGACIES

The Foundation is the beneficiary under various wills and trust agreements, the total realizable amounts of which are not presently determinable. The Foundation's share of such bequests is recorded when the probate court has declared the testamentary instrument valid and the proceeds are measurable.

NOTE 9 OTHER ASSETS

Other assets consist of the following at June 30, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|---------------------------------|------------------|------------------|
| Land - Plymouth Bluff | \$ 7,000 | \$ 7,000 |
| Mineral Interest in Mississippi | 38,000 | 38,000 |
| Water Prints Inventory | 14,760 | - |
| Total Other Assets | <u>\$ 59,760</u> | <u>\$ 45,000</u> |

These assets were valued at fair value on the date of contribution. They are not adjusted annually to fair value because the fair value is not readily determinable.

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 10 LIABILITIES UNDER SPLIT INTEREST AGREEMENT

The Foundation has received several gift annuities, of which the assets attributable to are carried as investments with estimated fair values of \$1,421,372 and \$1,272,512 on the Foundation's statement of financial position at June 30, 2023 and 2022, respectively. The liabilities to the annuity beneficiaries are also recorded in the statement of financial position and are measured at the present value of projected future distributions to the annuity beneficiary and are determined using discount rates ranging from approximately 1.2% to 5.8% and applicable life expectancies.

NOTE 11 CONCENTRATION OF CREDIT RISKS

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and promises to give receivable.

The Foundation maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2023, the Foundation had uninsured bank cash balances of \$20,813. There were no uninsured cash balances at June 30, 2022.

NOTE 12 LONG-TERM DEBT

A summary of long-term debt is as follows:

| | 2023 | 2022 |
|---|------------------|------------------|
| Note payable to MUW Federal Credit Union, dated February 21, 2018, payments due monthly at \$1,124, including interest at 2.5%, beginning March 31, 2018, with a final payment due February 21, 2028. The note is secured by a Foundation bank account at MUW Federal Credit Union. | <u>\$ 59,298</u> | <u>\$ 71,052</u> |

Future maturities of the long-term debt are as follows:

| Year Ending June 30, | Amount |
|-----------------------------|------------------|
| 2024 | \$ 12,144 |
| 2025 | 12,451 |
| 2026 | 12,766 |
| 2027 | 13,089 |
| 2028 | 8,848 |
| | <u>\$ 59,298</u> |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 13 NET ASSETS

Net assets with donor restrictions at June 30, 2023 and 2022 were available for the following purposes:

| | Net Assets With Donor Restrictions | | |
|----------------------|---|-----------------------------------|----------------------|
| | Purpose Restrictions | Perpetual Restrictions | Total |
| 2023 | | | |
| Student Scholarships | \$ 16,802,322 | \$ 29,069,094 | \$ 45,871,416 |
| Department Chairs | 3,491,224 | 1,215,096 | 4,706,320 |
| Colleges | 1,056,979 | 405,778 | 1,462,757 |
| Other | 4,879,679 | 2,689,952 | 7,569,631 |
| Total | \$ 26,230,204 | \$ 33,379,920 | \$ 59,610,124 |

| | Net Assets With Donor Restrictions | | |
|----------------------|---|-----------------------------------|----------------------|
| | Purpose Restrictions | Perpetual Restrictions | Total |
| 2022 | | | |
| Student Scholarships | \$ 14,530,136 | \$ 27,935,064 | \$ 42,465,200 |
| Department Chairs | 3,329,499 | 1,215,096 | 4,544,595 |
| Colleges | 1,266,809 | 403,678 | 1,670,487 |
| Other | 4,517,284 | 2,596,342 | 7,113,626 |
| Total | \$ 23,643,728 | \$ 32,150,180 | \$ 55,793,908 |

NOTE 14 RELATED PARTY TRANSACTION

The Foundation's Board has instituted a policy of assessing an internal management fee between the net asset class without donor restrictions and net asset class with donor restrictions. The purpose of this fee is to cover administrative costs incurred by the net asset class without donor restrictions for the management of endowments and is calculated as a percentage of endowed investments. The fee amounts for the years ended June 30, 2023 and 2022 were \$1,062,441 and \$564,411, respectively. Those fees are included in net assets released from restrictions in the statement of activities.

The Foundation owns or has legal control of the softball lights purchased for the University's athletic programs. The Foundation agrees to continue to own and maintain legal control of the equipment for the benefit of the University. In the future, with board approval, the Foundation will transfer the ownership title to the University. The University agrees to maintain the equipment in good working order and to provide periodic inspections that are routine along with scheduled repairs. The University agrees to bear all costs associated with any routine, necessary or emergency repairs.

NOTE 15 ENDOWMENTS

The Foundation's endowments consist of approximately 460 individual donor-restricted endowment funds established for a variety of purposes. As required by GAAP, net assets associated with endowment funds, including funds designated by the Foundation's Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 15 ENDOWMENTS (CONTINUED)

Interpretations of Relevant Law

The Foundation's Board has interpreted the State of Mississippi Code of 1972 §79-11-601 through §79-11-617 cited as the "Uniform Management of Institutional Funds Act" (UMIFA) as requiring the Board to use reasonable care, skill, and caution as exercised by a prudent investor, in considering the investment management and expenditures of endowment funds. In accordance with UMIFA, the Board may expend so much of an endowment fund's net appreciation as the Board determines to be prudent for the uses and purposes for which the endowment fund is established, consistent with the goal of conserving the long-term purchasing power of the endowment fund. The Board considers the following factors in making its determination:

- 1) The purpose of the Foundation;
- 2) The intent of the donor of the endowment fund;
- 3) The terms of the applicable instrument;
- 4) The long-term and short-term needs of the Foundation and the University in carrying out their purposes;
- 5) General economic conditions;
- 6) The possible effect of inflation or deflation;
- 7) The other resources of the Foundation and the University; and
- 8) Perpetuation of the endowment.

The composition of endowments net assets by type of fund as of June 30, 2023 follows:

| | Net Assets Without Donor Restrictions | Net Assets With Donor Restrictions Purpose Restrictions | Perpetual Restrictions | Total |
|-------------------------------------|--|--|-----------------------------------|---------------|
| Donor Restricted Endowment Funds | \$ - | \$ 20,869,570 | \$ 33,379,920 | \$ 54,249,490 |

Changes in endowments net assets for the fiscal year ended June 30, 2023 follows:

| | Net Assets Without Donor Restrictions | Net Assets With Donor Restrictions Purpose Restrictions | Perpetual Restrictions | Total |
|---|--|--|-----------------------------------|---------------|
| Endowments Net Assets, Beginning of Year | \$ - | \$ 18,437,249 | \$ 32,150,180 | \$ 50,587,429 |
| Investment Return: | | | | |
| Investment Income | - | 1,287,856 | - | 1,287,856 |
| Net Appreciation (Realized and Unrealized) | - | 4,200,960 | - | 4,200,960 |
| Total Investment Income | - | 5,488,816 | - | 5,488,816 |
| Contributions and Other | - | - | 1,229,740 | 1,229,740 |
| Appreciation of Endowment Assets for Expenditure | - | (3,056,495) | - | (3,056,495) |
| Endowments Net Assets, End of Year | \$ - | \$ 20,869,570 | \$ 33,379,920 | \$ 54,249,490 |

MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION, INC.
Notes to Financial Statements
June 30, 2023 and 2022

NOTE 15 ENDOWMENTS (CONTINUED)

Interpretations of Relevant Law (Continued)

The composition of endowments net assets by type of fund as of June 30, 2022 follows:

| | Net Assets Without Donor Restrictions | <u>Net Assets With Donor Restrictions</u> | | Total |
|-------------------------------------|--|--|-----------------------------------|---------------|
| | | Purpose Restrictions | Perpetual Restrictions | |
| Donor Restricted Endowment Funds | \$ - | \$ 18,437,249 | \$ 32,150,180 | \$ 50,587,429 |

Changes in endowments net assets for the fiscal year ended June 30, 2022 follows:

| | Net Assets Without Donor Restrictions | <u>Net Assets With Donor Restrictions</u> | | Total |
|---|--|--|-----------------------------------|---------------|
| | | Purpose Restrictions | Perpetual Restrictions | |
| Endowments Net Assets, Beginning of Year | \$ - | \$ 26,671,804 | \$ 30,649,846 | \$ 57,321,650 |
| Investment Return: | | | | |
| Investment Income | - | 1,370,895 | - | 1,370,895 |
| Net Appreciation (Realized and Unrealized) | - | (7,267,994) | - | (7,267,994) |
| Total Investment Income | - | (5,897,099) | - | (5,897,099) |
| Contributions and Other | - | - | 1,500,334 | 1,500,334 |
| Appreciation of Endowment Assets for Expenditure | - | (2,337,456) | - | (2,337,456) |
| Endowments Net Assets, End of Year | \$ - | \$ 18,437,249 | \$ 32,150,180 | \$ 50,587,429 |

NOTE 16 REFUNDABLE ADVANCES

Accounting Standards Update 2018-08, Not-for-profit entities (Topic 958): Clarifying the scope and the accounting guidance for contributions received and contributions made requires management to evaluate if conditional grants exist. The criteria to determine if a conditional grant exists if the grant agreement specifies each of the following a) a barrier or reporting requirement must be overcome b) specifies there is a right to return assets. The Commission identified one grant which received funding in advance that met the criteria and they will be reported as Refundable Advances on the Statement of Financial Position for the years ended June 30, 2023 and 2022.

A summary of Refundable Advances is as follows:

| | <u>2023</u> | <u>2022</u> |
|-------------------------------------|--------------------|--------------------|
| The Bower Foundation | \$ 132,200 | \$ 122,700 |
| Robert M. Hearin Support Foundation | 40,000 | - |
| Total | \$ 172,200 | \$ 122,700 |