

**Emmett and Miriam McCoy College of Business
Administration Development Foundation**

Financial Statements

For the Years Ended August 31, 2020 and 2019

(With Independent Auditors' Report)

**Emmett and Miriam McCoy College of Business
Administration Development Foundation**

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Independent Auditors' Report

Board of Directors

Emmett and Miriam McCoy College of Business Administration Development Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of the Emmett and Miriam McCoy College of Business Administration Development Foundation (the Foundation) which comprise the statements of financial position as of August 31, 2020 and 2019, and the related statements of activities and cash flows for the years ended 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.

Auditors' 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 audit 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 auditors' 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 auditors consider internal control relevant to the entity'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 entity'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 the Emmett and Miriam McCoy College of Business Administration Development Foundation as of August 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Atchley & Associates, LLP

Austin, Texas

December 3, 2020

Emmett and Miriam McCoy College of Business Administration Development Foundation
 Statements of Financial Position
 As of August 31, 2020 and 2019

	2020	2019
Assets		
Assets:		
Cash and cash equivalents	\$ 1,325,855	\$ 849,632
Investments	49,402,072	44,748,660
Contributions receivable, net	258,797	223,283
	\$ 50,986,724	\$ 45,821,575
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 32,573	\$ 31,580
	32,573	31,580
Net assets:		
With donor restriction - board designated	1,977,854	2,058,337
With donor restrictions - in time & purpose	12,027,527	8,880,057
With donor restrictions - in perpetuity	36,948,770	34,851,601
	50,954,151	45,789,995
Total Net Assets		
	\$ 50,986,724	\$ 45,821,575
Total Liabilities and Net Assets		

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

Emmett and Miriam McCoy College of Business Administration Development Foundation

Statements of Activities

For the Years Ended August 31, 2020 and 2019

	2020			2019			
	Without donor restrictions	With donor restrictions	With donor restrictions (in perpetuity)	Total	Without donor restrictions	With donor restrictions (in perpetuity)	Total
REVENUES AND OTHER SUPPORT							
Revenues							
Contributions	\$ -	\$ -	\$ 1,976,864	\$ 1,976,864	\$ -	\$ 1,735,682	\$ 1,735,682
Investment return, net	-	4,438,154	4,438,154	-	(1,064,976)	-	(1,064,976)
Net assets released from restrictions							
Satisfaction of program restrictions	1,250,862	(1,250,862)	-	-	1,184,638	-	-
Total revenues and other support	1,250,862	3,187,292	6,415,018	1,976,864	1,184,638	1,735,682	670,706
Expenses:							
Program services							
Distributions to College	1,060,600	-	1,060,600	-	1,028,250	-	1,028,250
Total program services	1,060,600	-	1,060,600	-	1,028,250	-	1,028,250
Supporting services							
General and administrative							
Dues and subscriptions	11,689	-	11,689	-	5,276	-	5,276
Miscellaneous	14,071	-	14,071	-	1,113	-	1,113
Payroll expenses	129,933	-	129,933	-	125,458	-	125,458
Professional fees	31,000	-	31,000	-	17,276	-	17,276
Travel	1,261	-	1,261	-	4,983	-	4,983
Supplies	2,308	-	2,308	-	2,282	-	2,282
Total supporting services	190,262	-	190,262	-	156,388	-	156,388
Total expenses	1,250,862	-	1,250,862	-	1,184,638	-	1,184,638
Change in net assets	-	3,187,292	5,164,156	1,976,864	(2,249,614)	1,735,682	(513,932)
Board designated transfers	-	(120,305)	-	120,305	(97,850)	97,850	-
Net assets at beginning of year	-	10,938,394	45,789,995	34,851,601	13,285,858	33,018,069	46,303,927
Net assets at end of year	\$ -	\$ 14,005,381	\$ 50,954,151	\$ 36,948,770	\$ 10,938,394	\$ 34,851,601	\$ 45,789,995

The accompanying notes are an integral part of these financial statements

Emmett and Miriam McCoy College of Business Administration Development Foundation

Statements of Cash Flows

For the Years Ended August 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ 5,164,156	\$ (513,932)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net realized (gain) loss on investments	(4,110,378)	(387,790)
Net unrealized (gain) loss on investments	1,053,288	2,242,654
Increase (decrease) in operating assets:		
Contributions receivable	(35,514)	239,416
Increase (decrease) in operating liabilities:		
Accounts payable	993	(1,706)
Net cash provided by (used in) operating activities	<u>2,072,545</u>	<u>1,578,642</u>
Cash flows from investing activities:		
Proceeds from sales of investments	13,447,925	13,447,925
Purchases of investments	<u>(15,044,247)</u>	<u>(15,772,964)</u>
Net cash provided by (used in) investing activities	<u>(1,596,322)</u>	<u>(2,325,039)</u>
Net increase (decrease) in cash and cash equivalents	476,223	(746,397)
Cash and cash equivalents at beginning of year	<u>849,632</u>	<u>1,596,029</u>
Cash and cash equivalents at end of year	<u>\$ 1,325,855</u>	<u>\$ 849,632</u>

The accompanying notes are an integral part of these financial statements

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note A - Nature of Activities and Significant Accounting Policies

Nature of Activities

The Emmett and Miriam McCoy College of Business Administration Development Foundation (the Foundation) is a nonprofit corporation established in February 2004 to raise funds from the private sector for the sole benefit of the College of Business Administration (the College) at Texas State University (the University). The Foundation is to preserve and invest such funds and make distributions from the funds for the sole benefit of the College in accordance with the donor's wishes.

The Foundation is governed by a ten-member Board of Directors.

Basis of Presentation

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Foundation's management and the board of directors. (See Note G)

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents

The Foundation's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Foundation maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Foundation's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Foundation has not experienced, nor does it anticipate, any losses with respect to such accounts.

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note A - Nature of Activities and Significant Accounting Policies - Continued

Investments

The Foundation carries investments in marketable equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the statement of activities as increases or decreases in net assets with donor restrictions (in perpetuity). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1: Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2: Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3: Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

Recently Issued Accounting Pronouncements

The Foundation adopted FASB Accounting Standards Update (ASU) No. 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The update assists entities in evaluating whether transactions should be accounted for as contributions as an exchange transactions, and determining whether a contribution is conditional. The Foundation adopted FASB ASU No. 2018-08 as of September 1, 2019, using the modified prospective basis. The Foundation did not make any significant changes to the financial statements as a result of the adoption.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note A - Nature of Activities and Significant Accounting Policies - Continued

Income Tax Status

The Foundation is a not-for-profit corporation that is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued.

Note B - Available Resources and Liquidity

The following represents the Foundation's financial assets at August 31, 2020 and 2019:

Financial assets at year end:	2020	2019
Cash and cash equivalents	\$ 1,325,855	\$ 849,632
Contributions receivable, net	258,797	223,283
Investments	49,402,072	44,748,660
	<u>50,986,724</u>	<u>45,821,575</u>
Less amounts not available to be used within one year:		
Net assets subject to board designations	1,977,854	2,058,337
Net assets with donor restrictions	48,976,297	43,731,658
Less net assets with restrictions to be met in less than a year	<u>(1,200,000)</u>	<u>(1,200,000)</u>
	<u>49,754,151</u>	<u>44,589,995</u>
Financial assets available to meet cash needs for expenditures over the next twelve months	<u>\$ 1,232,573</u>	<u>\$ 1,231,580</u>

In addition to financial assets available to meet general expenditures over the next twelve months, the Foundation operates with a balanced budget and anticipates only incurring expenses if adequate funds are available to pay for them. The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments.

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note C - Investments

Investments are classified as Level 1 investments (See Note A), stated at their fair value and consist of the following as of August 31, 2020 and 2019:

	2020		2019	
	Cost	Fair Value	Cost	Fair Value
Stocks	\$ 719,768	\$ 925,068	\$ 10,519,428	\$ 11,870,636
Mutual funds	46,381,512	48,477,004	31,268,525	32,878,024
	<u>\$47,101,280</u>	<u>\$49,402,072</u>	<u>\$41,787,953</u>	<u>\$44,748,660</u>

Note D - Contributions Receivable

Unconditional Contributions

Contributions receivable represent unconditional promises to give by donors and are recorded at their estimated fair value. Contributions received are distinguished for each net asset category in accordance with donor-imposed restrictions. Amounts due after August 31, 2020, are recorded at the present value of the estimated future cash flows, using the average market yields on one to four year Treasury securities as of August 2020. The discount will be recognized as contribution income in the fiscal years ending August 31, 2020, through August 31, 2022, as the discount is amortized over the duration of the pledges.

Contributions receivable, net of discount to present value, consist of the following at August 31, 2020 and 2019:

	2020	2019
Expected to be collected in:		
Less than one year	\$ 124,963	\$ 99,865
One to five years	134,031	126,500
Pledges receivable, gross	<u>258,994</u>	<u>226,365</u>
Less discount to present value	<u>(197)</u>	<u>(3,082)</u>
Contributions receivable, net	<u>\$ 258,797</u>	<u>\$ 223,283</u>

Conditional and Revocable Contributions

In accordance with US GAAP, the Foundation has not recorded revocable contributions or conditional contributions for which the specified conditions have not been substantially met. The Foundation has been named as a beneficiary in various individuals' wills or charitable remainder trusts. As of August 31, 2020, the amount of these revocable promises of which the Foundation has been made aware is approximately \$8,675,000.

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note E - Support to McCoy College of Business Administration

The Foundation's Investment and Spending Policy established a target to distribute annually an amount based on 3% of a trailing three-year average of the fair market value of each endowment to the McCoy College of Business Administration to support the activities specified for each endowment. Annual distributions will not exceed 7% of the endowment's prior year's ending market value. Distributions designated, but not yet distributed at August 31, 2020 and 2019, were \$1,751,631 and \$1,868,631, respectively.

During the years ended August 31, 2020 and 2019, the Foundation distributed \$1,060,600 and \$1,028,250, respectively, to the College.

Notes F - Support From Texas State University

The Foundation is staffed by two individuals who are employees of the University and the Foundation, with each sharing a portion of the individuals' salaries and benefits. Each individual dedicates at least 50% of their time to Foundation activities and matters. Accounts payable at August 31, 2020 and 2019, consists of reimbursement due to the University for salaries and benefits in the amounts of \$32,573 and \$31,580, respectively.

In addition, the University provides the Foundation office space, telephone service, utilities, and the use of other equipment and facilities at no charge to the Foundation. No amounts have been reflected in the financial statements for the donated facilities.

Note G - Endowment

The Foundation's endowment consists of 116 individual funds established for a variety of purposes. Its endowments include both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as encouraging institutions to establish a spending policy that will be responsive to short-term fluctuations in the value of the fund. The law allows an institution to maintain appropriate levels of expenditures in times of economic downturn or economic strength. In some years, accumulation rather than spending will be prudent, and in other years an institution may appropriately make expenditures even if a fund has not generated investment return that year. SPMIFA requires the managing and investing of an institutional fund so as to balance the needs of the institution with the preservation of capital. Therefore, the Foundation strives for 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.

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note G - Endowment - Continued

As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (in perpetuity) (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) 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. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions (in perpetuity) is classified as net assets with donor restrictions (time & purpose) until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Foundation 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 Foundation 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 Foundation
- 7) The investment policies of the Foundation
- 8) Intergenerational equity: providing stable support for programs such as scholarships and chairs from one generation to the next.

Endowment Net Asset Composition by Type of Fund as of August 31, 2020

	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)	Total
Donor-restricted endowment funds	\$ 12,027,527	\$ 36,948,770	\$ 48,976,297
Board-designated endowment funds	1,977,854	-	1,977,854
Total funds	<u>\$ 14,005,381</u>	<u>\$ 36,948,770</u>	<u>\$ 50,954,151</u>

The net gains and losses in net assets with donor restrictions represents the amounts by which the fair value of certain donor-restricted endowment funds were above the amount requires to permanently maintain the value of the original gift.

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note G - Endowment - Continued

Changes in Endowment Net Assets for the fiscal year ended August 31, 2020

	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)	Total
	<u>\$ 10,938,394</u>	<u>\$ 34,851,601</u>	<u>\$ 45,789,995</u>
Endowment net assets, beginning of year			
Investment return:			
Investment income	1,482,977	-	1,482,977
Net gains and losses (realized and unrealized)	3,057,090	-	3,057,090
Management fees	<u>(101,913)</u>	<u>-</u>	<u>(101,913)</u>
Total investment return	4,438,154	-	4,438,154
Contributions	-	1,976,864	1,976,864
Appropriation of endowment assets for expenditure	(1,250,862)	-	(1,250,862)
Other changes:			
Transfers to create board- designated endowment funds	<u>(120,305)</u>	<u>120,305</u>	<u>-</u>
Endowment net assets, end of year	<u><u>\$ 14,005,381</u></u>	<u><u>\$ 36,948,770</u></u>	<u><u>\$ 50,954,151</u></u>

The gain in net assets with donor restrictions included a realized gain of \$4,110,378 and unrealized loss of \$(1,053,288) on investments.

Endowment Net Asset Composition by Type of Fund as of August 31, 2019

	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)	Total
	<u>\$ 8,880,057</u>	<u>\$ 34,851,601</u>	<u>\$ 43,731,658</u>
Donor-restricted endowment funds			
Board-designated endowment funds	<u>2,058,337</u>	<u>-</u>	<u>2,058,337</u>
Total funds	<u><u>\$ 10,938,394</u></u>	<u><u>\$ 34,851,601</u></u>	<u><u>\$ 45,789,995</u></u>

The gain in net assets with donor restrictions represents the amounts by which the fair value of certain donor-restricted endowment funds were above the amount requires to permanently maintain the value of the original gift.

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note G - Endowment - Continued

Changes in Endowment Net Assets for the fiscal year ended August 31, 2019

	With donor restrictions <u>(time & purpose)</u>	With donor restrictions <u>(in perpetuity)</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 13,285,858	\$ 33,018,069	\$ 46,303,927
Investment return:			
Interest and dividends	922,287	-	922,287
Net gains and losses (realized and unrealized)	(1,854,864)	-	(1,854,864)
Management fees	<u>(132,399)</u>	-	<u>(132,399)</u>
Total investment return	<u>(1,064,976)</u>	-	<u>(1,064,976)</u>
Contributions	-	1,735,682	1,735,682
Appropriation of endowment assets for expenditure	(1,184,638)	-	(1,184,638)
Other changes:			
Transfers to create board- designated endowment funds	<u>(97,850)</u>	<u>97,850</u>	<u>-</u>
Endowment net assets, end of year	<u><u>\$ 10,938,394</u></u>	<u><u>\$ 34,851,601</u></u>	<u><u>\$ 45,789,995</u></u>

The net gains and losses in net assets with donor restrictions included a realized gain of \$387,790 and unrealized loss of \$(2,242,654) on investments.

Description of Amounts Classified as Net Assets with Donor Restrictions (in perpetuity) and Net Assets with Donor Restrictions (time & purpose) (Endowment Only)

	<u>2020</u>	<u>2019</u>
Net Assets with Donor Restrictions (in perpetuity)		
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation or by SPMIFA	<u>\$36,948,770</u>	<u>\$ 34,851,601</u>
Total endowment funds classified as net assets with donor restrictions (in perpetuity)	<u><u>\$ 36,948,770</u></u>	<u><u>\$ 34,851,601</u></u>

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note G - Endowment - Continued

Net Assets with Donor Restrictions (time & purpose)

The portion of perpetual endowment funds subject to a time restriction under SPMIFA with purpose restrictions

Total endowment funds classified as net assets with donor restrictions (time & purpose)

<u>\$ 12,027,527</u>	<u>\$ 8,880,057</u>
<u>\$ 12,027,527</u>	<u>\$ 8,880,057</u>

Funds with Deficiencies

From time to time, the fair market value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or SPMIFA require to maintain the value of the original gift. In accordance with GAAP, deficiencies of this nature are reported in net assets with donor restrictions (time & purpose). These deficiencies resulted from unfavorable market fluctuations in investments of contributions with donor restrictions (in perpetuity) and continued appropriation for certain programs that was deemed prudent by the Board of Directors.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets or donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. 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 compare to:

- 1) The Standard & Poor's 500 Index, the Russell 1000 and 2500 Indices, and the MSCI EAFE Index for Equity Securities,
- 2) The Barclays and other standard Indices for Fixed Income Securities, and
- 3) The Consumer Price Index and 90-day U.S. Treasury Bill rate for Cash Equivalent Securities.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation 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.

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note H - Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following restricted amounts as of August 31:

	2020		2019	
	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)
Emmett & Miriam McCoy Scholars	\$ 27,508	\$ 2,000,000	\$ (94,564)	\$ 2,000,000
College General Endowment	1,302,900	2,353,692	1,064,056	2,103,617
College General - PACE	14,785	25,000	12,248	25,000
Leveque HRM Scholarship	(500)	500	(500)	500
Fields Economics Chair #1	175,943	2,000,000	51,186	2,000,000
Fields Ethics Chair #6	758,178	2,100,000	557,994	2,100,000
Chair #2	106,577	1,000,000	11,524	1,000,000
Chair #3	560,716	2,010,030	343,303	2,000,000
Chair #4	44,724	2,000,000	302,266	1,000,000
Chair #5	992,180	1,000,000	368,593	1,000,000
Barshop Professorship	520,081	695,000	435,677	695,000
Gregg Professorship 7	556,351	600,000	477,940	600,000
Roberts Professorship 8	505,228	601,658	431,004	601,658
Professorship 9	283,177	600,780	227,654	600,780
Gowens Professorship	304,314	600,000	241,347	600,000
Casey Professorship	229,989	600,000	180,896	600,000
Emerson Professorship	93,049	600,000	52,661	600,000
Professorship #2	32,549	600,000	(5,701)	600,000
Professorship #4	59,910	399,385	85,670	325,000
Professorship #5	77,669	600,000	20,308	600,000
Professorship #11	28,327	300,000	10,154	300,000
Wilson Professorship	18,376	180,000	1,585	180,000
Professorship #12	109,237	217,455	10,323	217,455
Faculty Development	1,018,145	2,217,050	799,666	2,217,050
Petitt Faculty Development	180,363	300,000	152,180	300,000
Accounting Faculty Development	47,856	119,705	38,181	119,570
McCall Faculty Research	86,215	600,000	46,406	600,000
Olney Research	8,525	100,000	2,321	100,000
Jewell Research Endowment	1,652	15,000	511	10,000
Emerson Faculty Research Endowment	8,677	202,000	(4,093)	202,000
Muehl Research Endowment	26,512	205,000	12,866	205,000
Student Development	560,422	2,201,000	380,618	2,206,000
Muehl Student Development	204,780	300,000	178,822	300,000

Emmett and Miriam McCoy College of Business Administration Development Foundation

Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note H - Net Assets with Donor Restrictions - Continued

	2020		2019	
	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)
RGK - PACE	37,511	100,000	29,527	100,000
Accounting Student Development	14,106	66,879	9,463	64,879
Bogutsky Endowment	27,848	132,000	18,432	124,000
Program Development	558,198	877,000	499,440	877,000
Excellence Accounting	8,669	115,244	530	104,556
Rychlik Scholarship	9,877	50,000	1,964	19,000
SMIF Endowments	1,901	15,956	257	12,441
Kolodzey Endowment	5,844	50,000	2,560	50,000
Graduate Fellowship	434,148	740,000	381,945	1,016,500
Acct Club Grad Scholarship	41,666	102,568	33,305	102,568
Smart Fellowship	17,505	66,393	12,427	63,393
Westerbeck Fellowship	19,282	100,000	12,456	100,000
Lienneweber Fellowship	45,396	354,005	22,650	354,005
Lightfoot Graduate Fellowship	4,548	200,000	(6,994)	200,000
Tilton Fellowship	14,581	200,063	190	20,981
Undergrad Scholarships	536,987	1,512	606,943	46,012
Davila Undergrad Scholarship	57,232	138,000	45,485	133,000
Liebscher Undergrad Scholarship	141,125	381,500	110,930	356,500
Aspinwall Scholarship	27,744	50,000	23,280	50,000
Ward Undergrad Scholarship	23,978	50,000	19,736	50,000
Cox Undergrad Scholarship	42,839	65,000	36,427	65,000
Acct Club Undergrad Scholarship	45,277	66,388	38,711	66,313
Edgar Scholarship	24,106	50,050	19,849	50,050
Stephenson Scholarship	25,739	57,272	20,895	55,272
Edgar #2 Scholarship	19,127	50,971	15,118	50,971
Kerley Scholarship	42,460	100,000	34,249	100,000
Kanz Undergrad Scholarship	101,839	200,000	84,466	200,000
J&M Edgar Scholarship	10,109	80,000	4,886	80,000
Diepenhorst Scholarship	150,000	50,542	150,000	38,857
Pearson Scholarship	20,615	50,000	16,562	50,000
Buttross Scholarship	7,570	50,000	4,140	50,000
Carman Scholarship	12,961	102,679	5,481	102,679
Cook Scholarship	7,605	50,770	4,208	50,620
Richard Clay Scholarship	13,105	99,801	6,434	99,801
Luxton Scholarship	150,406	1,000,000	83,302	1,000,000
Callaway Scholarship	41,208	200,000	28,443	200,000

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Notes to Financial Statements

For the Years Ended August 31, 2020 and 2019

Note H - Net Assets with Donor Restrictions - Continued

	2020		2019	
	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)
Olney Scholarship	3,987	50,458	822	50,458
Barton Scholarship	9,933	55,000	4,606	50,000
Diane Eure Scholarship	12,893	74,766	7,878	74,746
Jack Eure Scholarship	12,173	70,042	7,378	70,042
K Yarborough Scholarship	25,451	200,000	12,620	200,000
Ferrari Family Scholarship	8,968	106,332	2,335	106,332
Holder Scholarship	15,946	130,000	6,959	130,000
AO Hamon Scholarship	4,255	55,398	840	55,398
Conant Scholarship	7,880	50,000	4,520	50,000
Stuart Scholarship Endowment	7,880	50,000	4,520	50,000
Lucille Montodon Scholarship	8,037	85,150	2,381	50,150
Furst Endowment	10,456	50,000	6,974	50,000
Willis Scholarship	8,690	50,000	5,261	50,000
Kirksey Scholarship	40,784	260,000	23,019	260,000
Hough Scholarship	3,948	50,000	825	50,000
Cosner Scholarship	3,289	21,380	1,201	21,380
Morris Scholarship	6,028	53,825	2,597	53,825
EY Scholarship	21,241	131,345	11,801	116,895
Bates Scholarship	13,126	135,642	5,011	100,642
Gilchrist Scholarship	2,343	20,000	621	15,000
GAHCC Scholarship	7,517	100,000	821	100,000
Jim Bell Scholarship	2,056	15,000	613	15,000
Fin MGT Assoc. Scholarship	5,923	50,000	2,632	50,000
Gorbea Scholarship	1,378	15,000	158	10,000
TX State AMA Scholarship	534	5,876	(29)	5,451
Kapavik Scholarship	670	50,000	(2,272)	50,000
Porter Scholarship	1,163	211,320	(12,494)	211,320
Seargeant GTFCU Scholarships	5,424	50,000	733	50,000
Medlock Memorial Scholarships	1,468	55,000	(1,789)	50,000
Ridout Scholarship	1,933	50,000	(1,020)	50,000
Wong Accounting Scholarships	1,587	50,000	(1,507)	50,000
Wong Finance Scholarship	4,992	50,000	1,780	50,000
Wong Management Scholarship	4,992	50,000	1,780	50,000
Wong Marketing Scholarship	4,992	50,000	1,780	50,000
Wong CIS QM Scholarship	4,992	50,000	1,780	50,000
Kiehl Family Scholarships	1,311	50,001	(1,589)	50,001

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For the Years Ended August 31, 2020 and 2019

Note H - Net Assets with Donor Restrictions - Continued

	2020		2019	
	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)	With donor restrictions (time & purpose)	With donor restrictions (in perpetuity)
Carroll Undergrad Scholarship	2,328	22,778	484	15,392
Faith Scholarship	745	50,000	(2,204)	50,000
Coleman Scholarship	510	4,976	45	4,976
West Scholarship	816	9,903	207	4,058
Gina Brunner Memorial Scholarship	6,463	50,200	3,110	50,200
Rushing Scholarship	4,444	55,000	1,290	15,000
Zubeldia Scholarship	6,440	50,000	3,106	50,000
SFHR Management Scholarship	154	1,530	12	1,307
Guillory Scholarship	5,995	115,000	(7)	1,000
Pena Scholarship	4,262	50,000	(331)	50,000
Fullerton Scholarship	169	5,000	-	-
Foshee Scholarship	5,559	100,000	-	-
Hartenstine Scholarship	1,396	10,000	-	-
Luxton Fellowship	20,859	400,000	-	-
Hough Fellowship	1,620	15,000	-	-
	<u>\$ 12,027,527</u>	<u>\$ 36,948,770</u>	<u>\$ 8,880,057</u>	<u>\$ 34,851,601</u>