



MIRACOSTA COLLEGE FOUNDATION BOARD FINANCE COMMITTEE MEETING

Tuesday, April 22, 2025 2:00 – 3:30 p.m.

3333 Manchester Avenue Cardiff, CA 92007
Conference Room 1131

Members of the community not able to attend in person can listen to the live stream here:
<https://linktr.ee/miracostacollegefoundation>

Finance Committee Members:

Dottie Benson, Michelle Gray, Neil McCarthy, Dave McGuigan,
Cindy Musser, Mark Richards, Sharon Wiback

Staff Support, Guests & Advisors Support Attendees:

Tori Fishinger, Tim Flood, Elizabeth Lurenana,
Andrew Maslick, Shannon Stubblefield

MiraCosta College Foundation Mission:

Promote the benefits of MiraCosta College and secure resources that transform lives.

MiraCosta College Foundation Vision:

Educational opportunities for all.

Land Acknowledgement:

We acknowledge the original caretakers of the land on which MiraCosta College is built. The Luiseno people are made up of seven bands: the La Jolla, Pala, Pauma, Pechanga, Rincon, San Luis Rey, and Soboba. We pay our respects to the Luiseno – past, present, and emerging, and are grateful to have the opportunity to be part of this community and to honor their history, culture, and spirit.

AGENDA

I. CALL TO ORDER

This meeting's audio will be live-streamed and recorded.

II. ROLL CALL, WELCOME, and INTRODUCTIONS

III. PUBLIC COMMENT ON ITEMS ON AND NOT ON THE AGENDA

IV. CHANGES IN AGENDA ORDER

V. APPROVE MEETING MINUTES (Action Required)

A. Regular meeting of February 4, 2025

VI. PRESENTATION(S)

A. Andrew Maslick, Mercer (Zoom)

VII. COMMITTEE REPORT(S)

A. Finance Committee

- i. Review & Approve FY24/25 Q3 Financial Statements & Recap (**Action Required**)
- ii. Key Performance Indicators
- iii. Review & Approve FY25/26 Operations & Allocations Budget with FY24/25 Actuals Projected (**Action Required**)
- iv. Audit Committee Report

VIII. ANNOUNCEMENTS, MEETING AND EVENT CALENDAR REVIEW

- A. End-of-Year Celebration Events
- B. Meeting Calendar for FY25/26

Next Executive Committee Meeting (San Elijo Campus)

Tuesday, April 22, 2025 at 3:45 – 5:00 p.m.

Next Grants & Scholarships Committee Meeting (Zoom)

Tuesday, April 29, 2025 at 2:00 – 4:00 p.m.

Next Resource Development Committee Meeting (Zoom)

Monday, May 5, 2025 at 2:00 – 2:45 p.m.

Next Quarterly Board Meeting (Oceanside Campus)

Tuesday, May 6, 2025 at 3:00 – 6:00 p.m.

Next Governance and Nominations Committee Meeting (San Elijo Campus)

Tuesday, August 5, 2024 at 2:00 – 3:00 p.m.

Next Finance Committee Meeting (San Elijo Campus)

Tuesday, August 12, 2025 at 2:00 – 3:30 p.m.

Next Audit Committee Meeting (San Elijo Campus)

Tuesday, May 18, 2026 at 1:00 – 1:30 p.m.

IX. FUTURE AGENDA ITEMS

X. ADJOURNMENT

* **ITEMS ON THE AGENDA:** Members of the audience may address the Foundation Board Committee on any item listed on the agenda when that agenda item comes up for discussion and/or action. Comments will be limited to three (3) minutes per agenda item and a total of fifteen (15) minutes of public comment on an item, unless waived by the committee. Non-English speakers utilizing a translator will have six (6) minutes to directly address the Committee.

ITEMS NOT ON THE AGENDA: Members of the audience may address the Foundation Board Committee on any topic not on the agenda so long as the topic is within the jurisdiction of the Foundation. Under the Brown Act, the committee is not permitted to engage in public discussion or take any action on an agenda item not on the agenda, except that members of the committee may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Government Code §54954.3. In addition, on their own initiative, or in response to questions posed by the public, a member of the committee may ask a question for clarification. A member of the committee or the committee itself may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. Comments from visitors shall not exceed three (3) minutes unless the committee waives the time limit. Non-English speakers utilizing a translator will have six (6) minutes to directly address the committee. The committee may also limit the total amount of time for public comment on a particular topic to fifteen (15) minutes.

DECORUM: Decorum requires members of the public to observe order at committee meetings. Speakers shall speak to the issues, and refrain from using defamatory or abusive personal remarks that disturb or impede the meeting or exceed the bounds of civility necessary to the conduct of the business of the Foundation Board Committee. The presiding officer has the authority to run the meeting, which includes the authority to issue warnings, call for recesses, or clearing the boardroom in the event of disruptive behavior. Government Code section 54954.3(c) establishes that the legislative body of a local agency shall not prohibit public criticism of the policies, procedures, programs, or services of the agency, or of the acts or omissions of the legislative body, and California Penal Code section 403 makes it a misdemeanor for any person to willfully disturb or break up any lawfully authorized assembly or meeting.

Foundation Committee meetings are held in meeting rooms that are accessible to those with mobility disabilities. If you wish to attend the meeting and you have another disability requiring special accommodation, please notify the board assistant, 760.757.2121, extension 6645. The California Relay Service is available by dialing 711 or 800-735-2929 or 800-735-2922.

In compliance with Government Code §54957.5, nonexempt writings that are distributed to a majority or all of the MiraCosta Community College District Foundation Board in advance of their meetings may be viewed at the Office of Institutional Advancement, 1 Barnard Drive, Oceanside, California, 92056 or by clicking on the Foundation website at <http://foundation.miracosta.edu>. Such writings will also be available at the board meeting. In addition, if you would like a copy of any record related to an item on the agenda, please contact the board assistant by e-mail at foundation@miracosta.edu



MIRACOSTA COLLEGE FOUNDATION BOARD FINANCE COMMITTEE

MINUTES OF REGULAR MEETING

**February 4, 2025
DRAFT**

I. CALL TO ORDER

The MiraCosta College Foundation Finance Committee met in open session on Tuesday, February 4, 2025 in Conference Room 1131 on the MiraCosta College District's San Elijo Campus (3333 Manchester Avenue, Cardiff, CA 92007). The meeting was live-streamed and recorded via Zoom. Treasurer Cindy Musser called the meeting to order at 2:02 pm.

II. ROLL CALL, WELCOME and INTRODUCTIONS

Committee Members Present:

Michelle Gray	Neil McCarthy	Cindy Musser
Mark Richards (2:14 p.m.)	Sharon Wiback	

Committee Members Absent:

Dottie Benson	Dave McGuigan	
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Staff, Advisors & Guests Present:

Tori Fishinger	Elizabeth Lurenana	Andrew Maslick
Tina Ortiz	Shannon Stubblefield	

Meeting attendees introduced themselves for the benefit of the group.

III. PUBLIC COMMENT ON ITEMS ON AND NOT ON THE AGENDA

None

IV. CHANGES IN AGENDA ORDER

None

V. APPROVE MEETING MINUTES

- A. By motion of Committee Member Wiback, seconded by Committee Member McCarthy, the minutes of the regular meeting of November 5, 2024 were approved as presented.

Vote: 4/0/0/3

Aye: Gray, McCarthy, Musser, Wiback

Nay: None

Abstain: None

Absent: Benson, McGuigan, Richards

VI. PRESENTATION(S)

- A. Andrew Maslick, Mercer
- i. Advisor Maslick introduced himself for the benefit of new committee members.
 - ii. Advisor Maslick provided commentary on the presentation in the agenda packet, specifically highlighting portfolio performance and predicted returns to recommend any updates to the annual spending rate.
 - a. Advisor Maslick recommends re-balancing to 48/27 – will re-visit in future
 - b. VP/ED Stubblefield provided contextual information: The spending rate is currently 5% (3.5 charitable & 1.5 endowment management fee) but can go up to a total of 5.5% if needed. The committee will recommend a specific split to the full board when arriving at that specific agenda item.

- c. Advisor Maslick stated he would be surprised if there is no correction to the market in the next year (10%). He does not recommend deviating from the stated policy.

VII. COMMITTEE REPORT(S)

A. Finance Committee

- i. Review & Approve FY24/25 Q2 Financial Statements & Recap
 - a. Treasurer Musser reviewed the Q2 financial statements for FY24/25 along with the recap and money movement recommendations.
 - b. By motion of Committee Member Wiback, seconded by Committee Member McCarthy the FY24/25 Q2 Financial Statements.
Vote: 5/0/0/2
Aye: Gray, McCarthy, Musser, Richards, Wiback
Nay: None
Abstain: None
Absent: Benson, McGuigan
 - c. Recap and money movement totals will be reviewed by staff and corrected before the full board considers approval on February 25, 2025.
 - d. VP/ED Stubblefield noted Q2 was a good quarter, in reference to the top ten donations of FY24/25 Q2.
- ii. Key Performance Indicators
 - a. Treasurer Musser and VP/ED Stubblefield reviewed the Key Performance Indicators in detail.
 - b. Staff will be sure to include Column L in the full board packet.
- iii. Review Draft FY25/26 Operations & Allocations Budget with FY24/25 Actuals Projected
 - a. VP/ED Stubblefield and Treasurer Musser reviewed two versions of a draft budget for FY25/26, which included projected FY24/25 actuals. This is an informational item only for the committee
 - b. VP/ED Stubblefield and Treasurer Musser asked the committee to consider for future conversations, how much money the board wants to keep in reserves from an operational standpoint and with the Memorandum of Understanding in mind.
- iv. Review & Recommend Annual Spending Rate (Item VII.C.)
 - a. Per the [Investment and Spending Policy](#) Item VII.C., the committee reviewed the Annual Spending Rate and, taking into account information shared by Advisor Maslick and VP/ED Stubblefield, recommended no changes.
 - b. By motion of Committee Member Wiback, seconded by Committee Member McCarthy, the committee voted to keep an Annual Spending Rate of 3.5 charitable and 1.5% endowment management fee.
Vote: 5/0/0/2
Aye: Gray, McCarthy, Musser, Richards, Wiback
Nay: None
Abstain: None
Absent: Benson, McGuigan
- v. Review Draft 2025-2030 Memorandum of Understanding (MOU)
 - a. Treasurer Musser and VP/ED Stubblefield reviewed a background document regarding the MOU as well as a red-lined version for 2025-2030. They explained proposed changes to the committee as an information item. This will then move on to the Executive Committee and full board.

VIII. STAFF UPDATES

- A. VP/ED Stubblefield discussed a new event the foundation is planning for March 27: The President's Reception hosted by the Foundation Board.
 - i. This event is an introductory event for board members to bring new people to campus who, in the future, may become donors or board members. No financial request will happen at the event, but there will be follow-up items for board members who bring guests.

- ii. Foundation board members are encouraged to invite guests.

IX. ANNOUNCEMENTS, MEETING AND EVENT CALENDAR REVIEW

Chemistry/Biotech Building Ribbon Cutting (Oceanside Campus)

Thursday, February 27, 2025 at 9:00 – 10:30 a.m.

Scholarship Awards Celebration (Oceanside Campus)

Friday, February 28, 2025 at 5:00 – 6:30 p.m.

Next Executive Committee Meeting (San Elijo Campus)

Tuesday, February 4, 2025 at 3:45 – 5:00 p.m.

Next Quarterly Board Meeting (TCI Campus)

Tuesday, February 25, 2025 at 3:00 – 5:00 p.m.

Media Arts Building Ribbon Cutting (Oceanside Campus)

Wednesday, March 26, 2025 at 10:00 – 11:30 a.m.

Next Governance and Nominations Committee Meeting (San Elijo Campus)

Tuesday, April 15, 2024 at 2:00 – 3:00 p.m.

Next Audit Committee Meeting (San Elijo Campus)

Tuesday, April 22, 2025 at 1:00 – 1:30 p.m.

Next Finance Committee Meeting (San Elijo Campus)

Tuesday, April 22, 2025 at 2:00 – 3:30 p.m.

X. FUTURE AGENDA ITEMS

XI. ADJOURNMENT

The meeting was adjourned at 3:18 p.m.

MiraCosta College Foundation

April 22, 2025

A business of Marsh McLennan

1. Executive Summary
2. Performance Summary
3. Tariffs and Volatility

Contents

Executive Summary

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Executive Summary

Asset Allocation (S/B): Endowment: 74.6/25.4; Excess Reserve: 49.4/50.6; Title V Grant: 74.1/25.9

Cash Flows: Endowment: 1.22.25: 89,433.52 purchase

Equity Performance Summary:

After a strong January and following a 57.8% total return over the prior 2-years (best since 1998), the S&P 500 was down 4.6% in Q1 and the NASDAQ was down 10%, dragged down by the Mag 7 (down 16% in Q1). This marked the worst quarterly returns for each benchmark since Q3 2022 with both experiencing a correction of at least 10%. Since 1928, the S&P 500 has, on average, risen 1.5% during the first quarter, with the second quarter clocking a much better average gain of 2.3%. Additionally, quarters where the S&P fell more than 5% have been followed by another down quarter 38% of the time.

U.S. Stocks (CRSP): -4.82% Q1 (+2.6% Q4 2024)

Non-U.S. Stocks: +4.55% Q1 (-7.5% Q4 2024)

Sectors: Sector performance was mixed with 7 of the 11 U.S. sectors in the green in Q1. Notably, IT (-12.8% Q1) and Consumer Discretionary (-13.26%) were laggards, outperformed by Energy (+6.97%), Utilities (+4.42%) and Health Care (+4.39%)

Volatility: CBOE Volatility Index (VIX), which represents a 30-day forward projection of volatility, remains below 30, a level (above) associated with heightened fear, but above 20 which general corresponds to more stable, less stressful periods in the market.

Valuation: The S&P 500's forward 12-month PE ratio is currently 20.5 which is down from 21.5 at YE 2024, but above the 5-year and 10-year averages of 19.9 and 18.3, respectively.

Fixed Income Performance Summary:

The 3-month and the 10-year Treasury “re-inverted” after normalizing in Q4 2024. After a Q4 2025 which saw yields meaningfully rise, Q1 saw a yield pullback across the curve beyond 2 years. HY Credit spreads have widened marginally in 2025 and remain far below prior recession levels.

Yields: 3Mo: 4.29% (-.03%) 2Yr: 3.89% (-.35%) 5Yr: 3.95% (-.43%) 10Yr: 4.21% (-.36%) 30Yr: 4.58% (-.20%)

U.S. Bonds: 2.7% Q1 (- 3.3% Q4 2024)

Non-U.S. Bonds: +-0.1% Q1 (+3.4% Q4 2024)

Executive Summary (cont.)

Economic Key Highlights:

The imposition of additional tariffs, substantial policy uncertainty, pullback in consumer sentiment, elevated geopolitical tensions, and federal spending reduction initiatives has led to a downward revision in the Fed projected GDP growth to 1.7% from 2.1%. Additionally, the Fed raised its core inflation projections for 2025 to 2.8% from 2.5%. The March FOMC statement included updated language: “uncertainty around the economic outlook has increased.”

Monetary: The Fed voted unanimously to hold interest rates steady at 4.5% for the second straight meeting, following 3 consecutive rate reductions that began last September. Additionally, the Fed announced that it will further slow the pace of its balance sheet run-off (quantitative tightening) in April, by reducing the monthly cap on U.S. Treasury redemption to \$5B from \$25B.

Inflation: Core PCE +2.8% YoY in February (2.5% YoY headline PCE). Core CPI increased 2.8% YoY in March (2.4% YoY Headline CPI).

GDP: Consensus currently projects real GDP of 2% (+2.4% Q4 2024). Atlanta Fed GDPNow economic model projects a -2.8%.

Jobs: U.S. economy added 228,000 jobs in March, with Federal government jobs falling less than expected. There was a meaningful uptick in hospitality related roles, likely reflecting a rebound from weather related disruption in January and February.

Unemployment: UE (U-3) increased to 4.2% from 4.1% in February. U-6 which includes those not actively seeking employment and those working part-time who would prefer full-time was 7.9% in March, coming of its highest level since October 2021 of 8% in February.

Hourly earnings: Average hourly earnings growth was 4% in February, a bit softer than the 4.2% forecast.

Earnings Growth: For Q1, the estimated YoY earnings growth for the S&P 500 is 7.3%, marking the 7th straight quarter of YoY earnings growth. Projected S&P 500 corporate EPS is forecasted to grow 11.5% in CY 2025, down from 14% estimate at the start of the year (down from Q4 2024 YoY growth of 18.6%, largest YoY gain since 2021).

Consumer: Consumer confidence sunk to a 4-year low of 92.9 from 100.1 in February. This marks the 4th decline in a row and the lowest reading since January 2021 (CCI above 100 indicates consumers are more optimistic). The index of consumer sentiment (University of Michigan) fell to a 29-month low of 57.6 (down 64.7 in February). The so-called expectations index, which measures how people think the economy will look 6 months from now, tumbled to 65.2 from 74.8, weakest reading since 2013 (a sustained reading below 80 tends to signal recession risk).

Savings: The personal savings rate increased to 4.6% in February, the highest rate since June 2024.

Currency: USD -3.9% in Q1 (compared to USD Index increase of 7.1% in 2024).

Performance Summary

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Portfolio quarterly valuation

MiraCosta College Foundation

As of March 31, 2025

	31-Dec-24	31-Mar-25
Endowment	15,878,124	15,900,341
Excess Reserve	3,925,407	3,942,860
Reserve	1,098,476	1,111,799
Title V Grant	506,211	505,205
Total	21,408,218	21,460,205

Endowment:

1.22.25: 89,433.52 purchase



MiraCosta College Foundation expense ratio savings

As of 3/31/2025

Fund expenses	Market value	% of portfolio	New expense ratio %	Old expense ratio %	Savings %	Savings \$
Equity						
Total Stock Market Index Fund Institutional Shares	\$8,581,127	39.99%	0.03%	0.03%	0.00%	\$0
Total International Stock Index Fund Institutional Shares	\$5,600,196	26.10%	0.06%	0.09%	0.03%	\$1,680
Fixed Income						
Total Bond Market Index Fund Admiral™ Shares	\$2,188,489	10.20%	0.04%	0.05%	0.01%	\$219
Short-Term Investment-Grade Fund Admiral™ Shares	\$1,168,085	5.44%	0.09%	0.10%	0.01%	\$117
Ultra-Short-Term Bond Fund Admiral™ Shares	\$1,111,799	5.18%	0.09%	0.10%	0.01%	\$111
Long-Term Investment-Grade Fund Admiral™ Shares	\$521,574	2.43%	0.10%	0.11%	0.01%	\$52
Intermediate-Term Investment-Grade Fund Admiral™ Shares	\$477,538	2.23%	0.09%	0.10%	0.01%	\$48
Total International Bond Index Fund Admiral™ Shares	\$1,811,398	8.44%	0.10%	0.11%	0.01%	\$181
Total	\$21,460,205		0.05%	0.06%	0.01%	\$2,146

Note: Fund expenses are netted from mutual fund performance daily.

Performance summary

<u>Endowment</u>	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	-2.79	-0.35	-0.35	6.29	5.34	11.69	7.46	7.76	01/31/14
Client portfolio (net)	-2.79	-0.41	-0.41	6.03	5.08	11.44	7.19	7.49	01/31/14
Policy benchmark	-2.73	-0.36	-0.36	6.21	5.29	11.50	7.41	7.73	01/31/14

<u>Excess Reserve</u>	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	-1.88	0.51	0.51	6.08	4.09	7.41	-	6.13	03/31/16
Client portfolio (net)	-1.88	0.44	0.44	5.82	3.83	7.17	-	5.88	03/31/16
Policy benchmark	-1.91	0.40	0.40	5.66	3.84	7.06	-	5.99	03/31/16

<u>Reserve</u>	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	0.32	1.28	1.28	5.82	-	-	-	5.59	03/31/23
Client portfolio (net)	0.32	1.21	1.21	5.55	-	-	-	5.33	03/31/23
Policy benchmark	0.34	1.08	1.08	5.26	-	-	-	4.96	03/31/23

<u>Title V Grant</u>	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	-2.64	-0.14	-0.14	6.60	-	-	-	10.04	12/31/23
Client portfolio (net)	-2.64	-0.20	-0.20	6.33	-	-	-	9.82	12/31/23
Policy benchmark	-2.73	-0.36	-0.36	6.21	-	-	-	9.65	12/31/23

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark represents. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary

Miracosta College Foundation - Endowment Portfolio

For the periods ended March 31, 2025

	Mkt value (\$)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	15,900,341	100.0	100.0	-2.79	-0.35	-0.35	6.29	5.34	11.69	7.46	7.76	01/31/14
Client portfolio (net)				-2.79	-0.41	-0.41	6.03	5.08	11.44	7.19	7.49	01/31/14
Policy benchmark				-2.73	-0.36	-0.36	6.21	5.29	11.50	7.41	7.73	01/31/14
■ Equity	11,860,498	74.6	75.0	-3.59	-1.05	-1.05	6.80	6.75	15.49	9.16	9.47	01/31/14
Equity - Policy benchmark				-3.55	-1.12	-1.12	6.72	6.67	15.45	9.16	9.45	01/31/14
• Domestic Equity	7,240,254	45.5	45.0	-5.89	-4.83	-4.83	7.07	8.11	18.09	11.74	12.12	01/31/14
• International Equity	4,620,244	29.1	30.0	0.25	5.51	5.51	6.38	4.67	11.46	5.22	5.09	01/31/14
■ Fixed Income	4,039,844	25.4	25.0	-0.36	1.73	1.73	4.59	1.11	0.35	1.84	2.20	01/31/14
Fixed Income - Policy benchmark				-0.28	1.89	1.89	4.49	0.76	-0.20	1.61	2.05	01/31/14
• Domestic Fixed Income	2,857,628	18.0	17.5	-0.03	2.56	2.56	5.06	1.12	0.49	1.90	2.18	01/31/14
• International Fixed Income	1,182,216	7.4	7.5	-1.15	-0.20	-0.20	3.44	1.06	0.01	1.66	2.32	01/31/14

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

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Performance summary—by securities

Miracosta College Foundation - Endowment Portfolio

For the periods ended March 31, 2025

	Mkt value (\$)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	15,900,341	100.0	100.0	-2.79	-0.35	-0.35	6.29	5.34	11.69	7.46	7.76	01/31/14
Client portfolio (net)				-2.79	-0.41	-0.41	6.03	5.08	11.44	7.19	7.49	01/31/14
Policy benchmark				-2.73	-0.36	-0.36	6.21	5.29	11.50	7.41	7.73	01/31/14
■ Equity	11,860,498	74.6	75.0	-3.59	-1.05	-1.05	6.80	6.75	15.49	9.16	9.47	01/31/14
Equity - Policy benchmark				-3.55	-1.12	-1.12	6.72	6.67	15.45	9.16	9.45	01/31/14
• Domestic Equity	7,240,254	45.5	45.0	-5.89	-4.83	-4.83	7.07	8.11	18.09	11.74	12.12	01/31/14
Domestic Equity - Policy benchmark				-5.89	-4.82	-4.82	7.09	8.11	18.10	11.75	12.13	01/31/14
- Vanguard Total Stock Market Index Fund Institutional Shares	7,240,254	45.5	-	-5.89	-4.83	-4.83	7.07	8.11	18.09	-	13.24	09/30/19
Spliced Total Stock Market Index				-5.89	-4.82	-4.82	7.09	8.11	18.10	-	13.24	09/30/19
Multi-Cap Core Funds Average				-5.34	-4.07	-4.07	3.85	6.38	16.01	-	10.88	09/30/19
• International Equity	4,620,244	29.1	30.0	0.25	5.51	5.51	6.38	4.67	11.46	5.22	5.09	01/31/14
International Equity - Policy benchmark				-0.06	4.55	4.55	5.73	4.21	11.30	5.21	5.08	01/31/14
- Vanguard Total International Stock Index Fund Institutional Shares	4,620,244	29.1	-	0.25	5.51	5.51	6.38	4.67	-	-	2.35	04/30/21
Spliced Total International Stock Index				-0.06	4.55	4.55	5.73	4.21	-	-	2.20	04/30/21

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

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Performance summary—by securities (continued)

Miracosta College Foundation - Endowment Portfolio

For the periods ended March 31, 2025

	Mkt value (\$)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
International Funds Average				-0.46	6.38	6.38	5.65	5.23	-	-	2.37	04/30/21
■ Fixed Income	4,039,844	25.4	25.0	-0.36	1.73	1.73	4.59	1.11	0.35	1.84	2.20	01/31/14
Fixed Income - Policy benchmark				-0.28	1.89	1.89	4.49	0.76	-0.20	1.61	2.05	01/31/14
● Domestic Fixed Income	2,857,628	18.0	17.5	-0.03	2.56	2.56	5.06	1.12	0.49	1.90	2.18	01/31/14
Domestic Fixed Income - Policy benchmark				0.05	2.75	2.75	4.87	0.56	-0.36	1.49	1.88	01/31/14
- Vanguard Total Bond Market Index Fund Admiral Shares	1,436,900	9.0	-	0.02	2.77	2.77	4.87	0.52	-0.41	1.44	1.82	01/31/14
Spliced Bloomberg U.S. Aggregate Float Adjusted Index				0.05	2.75	2.75	4.87	0.56	-0.36	1.49	1.88	01/31/14
Spliced Intermediate Investment-Grade Debt Funds Average				-0.07	2.66	2.66	4.99	0.57	0.36	1.47	1.80	01/31/14
- Vanguard Short-Term Investment-Grade Fund Admiral Shares	764,972	4.8	-	0.47	2.00	2.00	6.45	3.68	2.70	2.37	2.33	01/31/14
Bloomberg U.S. 1-5 Year Credit Bond Index				0.43	1.99	1.99	6.26	3.51	2.50	2.36	2.34	01/31/14
1-5 Year Investment-Grade Debt Funds Average				0.29	1.71	1.71	5.91	2.62	2.17	1.76	1.70	01/31/14
- Vanguard Long-Term Investment-Grade Fund Admiral Shares	343,797	2.2	-	-1.38	2.74	2.74	1.63	-3.04	-2.09	-	1.23	01/31/19
Bloomberg U.S. Long Credit A or Better Bond Index				-1.28	2.58	2.58	1.52	-3.07	-2.05	-	0.98	01/31/19
Corporate A-Rated Debt Funds Average				-0.42	2.98	2.98	4.49	-0.24	0.28	-	1.58	01/31/19

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

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Performance summary—by securities (continued)

Miracosta College Foundation - Endowment Portfolio

For the periods ended March 31, 2025

	Mkt value (\$)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
- Vanguard Intermediate-Term Investment-Grade Fund Admiral Shares	311,959	2.0	-	0.06	2.76	2.76	6.31	2.19	1.74	2.53	2.84	01/31/14
Bloomberg U.S. 5-10 Year Credit Bond Index				0.11	2.78	2.78	6.12	2.08	2.11	2.69	3.13	01/31/14
Spliced Core Bond Funds Average				-0.07	2.66	2.66	4.99	0.57	0.36	1.47	1.80	01/31/14
• International Fixed Income	1,182,216	7.4	7.5	-1.15	-0.20	-0.20	3.44	1.06	0.01	1.66	2.32	01/31/14
International Fixed Income - Policy benchmark				-1.04	-0.12	-0.12	3.58	1.20	0.14	1.84	2.51	01/31/14
- Vanguard Total International Bond Index Fund Admiral Shares	1,182,216	7.4	-	-1.15	-0.20	-0.20	3.44	1.06	0.01	1.66	2.32	01/31/14
Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index Hedged				-1.04	-0.12	-0.12	3.58	1.20	0.14	1.84	2.51	01/31/14
International Income Funds Average				0.16	1.76	1.76	3.31	-0.38	0.09	0.56	0.46	01/31/14

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

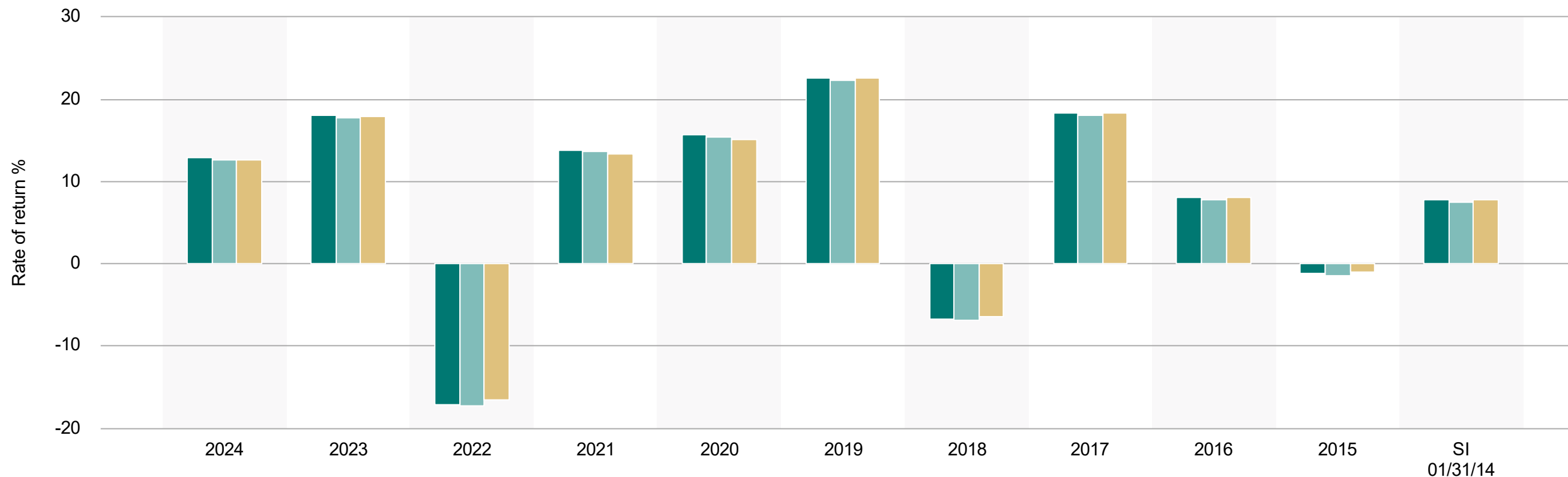
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Portfolio performance—annual periods

Miracosta College Foundation - Endowment Portfolio

For the period ended March 31, 2025

Gross versus net of fees



	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	Since Inception
■ Gross return	12.93%	18.09%	-17.07%	13.86%	15.64%	22.55%	-6.66%	18.38%	8.05%	-1.18%	7.76%
■ Net return	12.64%	17.80%	-17.28%	13.66%	15.44%	22.28%	-6.91%	18.06%	7.73%	-1.48%	7.49%
■ Policy benchmark	12.60%	17.95%	-16.59%	13.40%	15.10%	22.51%	-6.41%	18.28%	8.10%	-1.04%	7.73%

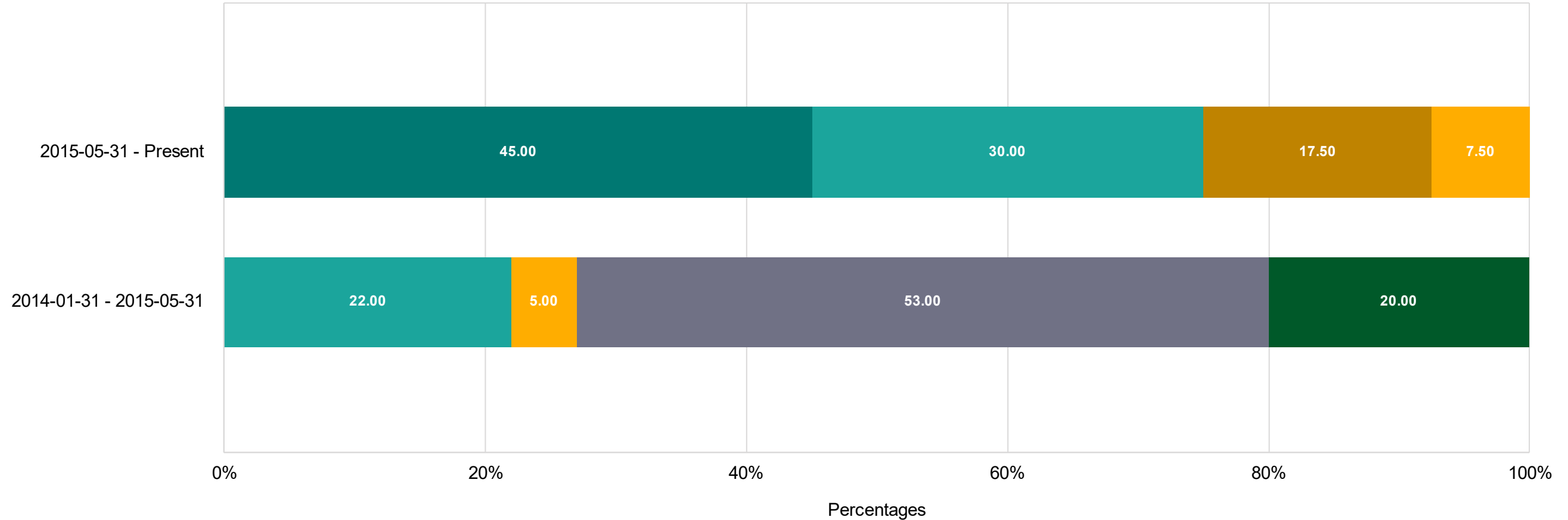
Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

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Benchmark allocation history

Miracosta College Foundation - Endowment Portfolio

Policy benchmark allocations up to March 31, 2025



- Spliced Total Stock Market Index
- Spliced Bloomberg U.S. Aggregate Float Adjusted Index
- Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Hedged
- CRSP U.S. Total Market Index
- Bloomberg U.S. Aggregate Float Adjusted Index
- Spliced Total International Stock Index

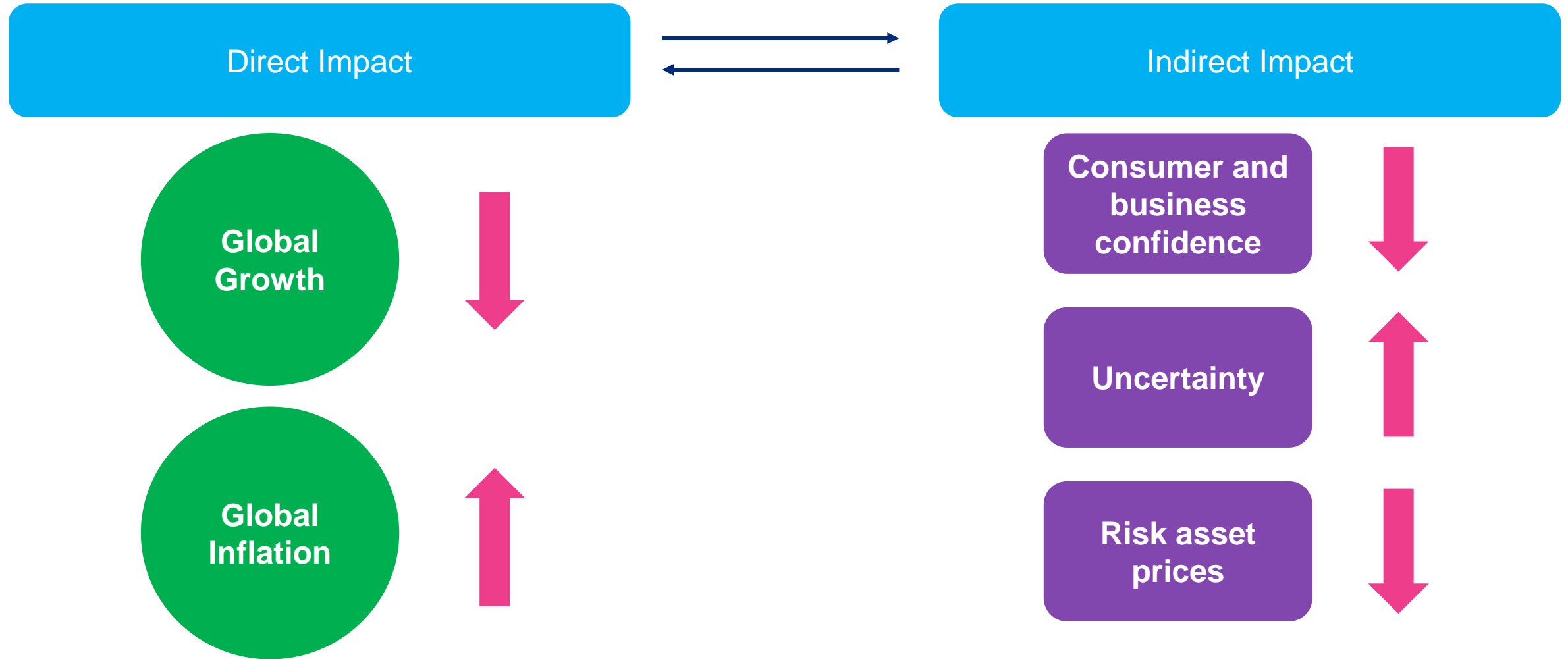
Policy Benchmark is a weighted set of indices that align to the Investment Management Agreement Schedule B which sets forth the strategic asset allocation for the client portfolio. The Policy Benchmark is rebalanced monthly. Allocations may change overtime as the investment strategy changes. The most recently policy benchmark composition is in the top row. Neither asset allocation nor diversification can guarantee a profit or prevent loss. Indexes are unmanaged; direct investment is not possible. **Please read additional information in Benchmark and Disclosure sections.**

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Tariffs and Volatility

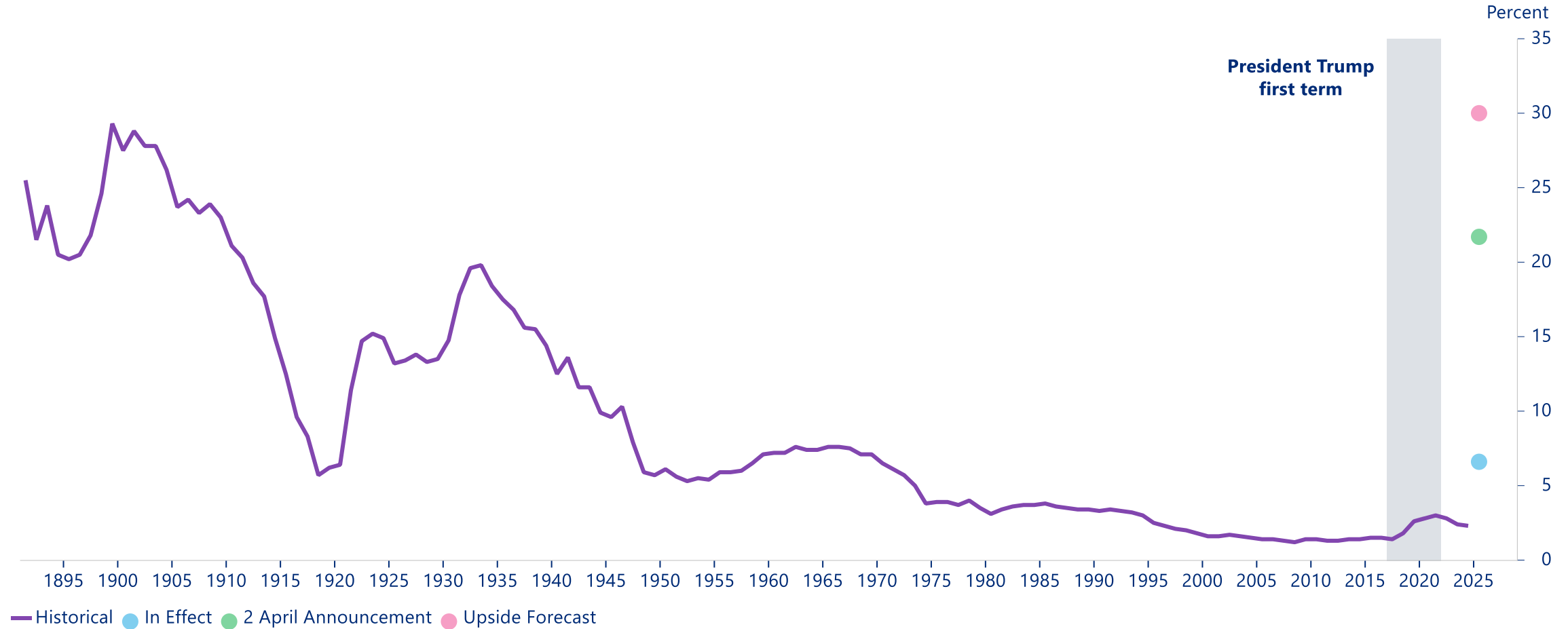


Tariffs likely impact



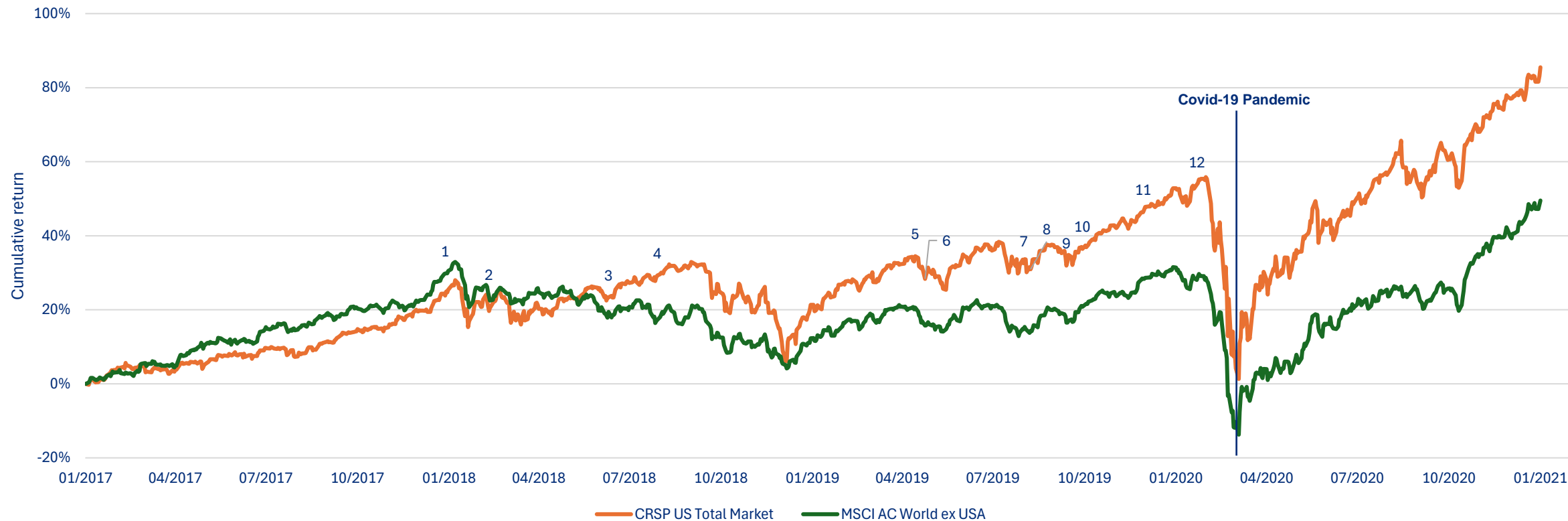
Announced tariffs will significantly increase US effective tariff rate if implemented in totality

US average tariff rate on total imports



Source: United States International Trade Commission, MacroBond, Mercer as of April 2025

Equity markets and trade wars during Trump's first term

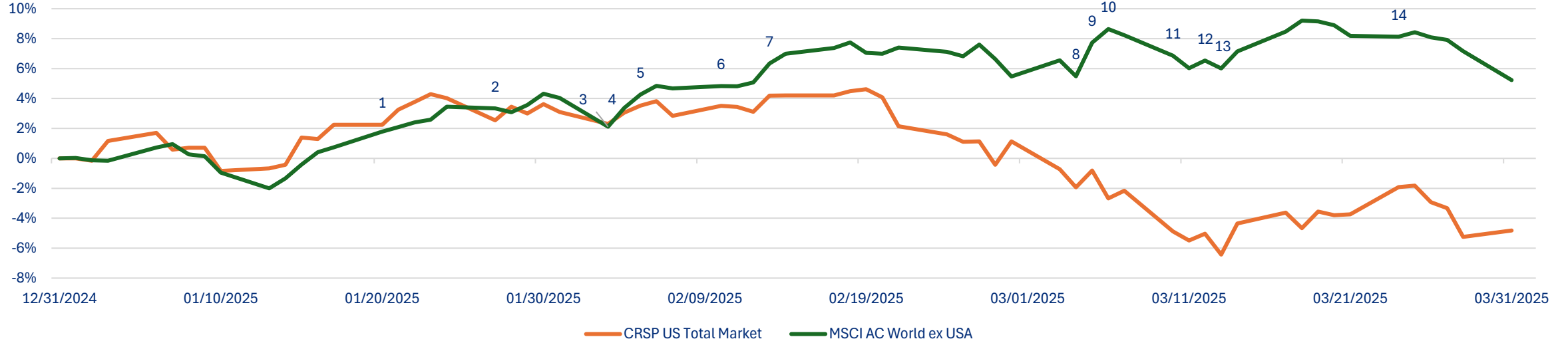


1. US imposes 20-50% tariffs on Chinese solar panels and washing machines (1/23/2018)
2. Trump announces intention to impose a 25% tariff on steel and a 10% tariff on aluminum imports (3/01/2018)
3. Turkey will begin placing tariffs on U.S. Goods, worth about \$266.5 million (6/28/2018)
4. U.S. doubles the tariffs on steel and aluminum imports from Turkey. Turkey responds by doubling tariffs on 22 US products (8/16/2018)
5. US announces it will raise tariffs on \$200 billion of Chinese imports from 10% to 25% (5/10/2019)
6. US announces it will lift steel and aluminum tariffs on Canada and Mexico in exchange for Canada and Mexico lifting their retaliatory tariffs. (5/22/2019)
7. China announces additional tariffs from 5-10% on US imports. US increases tariffs on Chinese imports from 10% to 15% (8/23/2019)
8. US announces increase on Chinese tariffs to 30% beginning October (8/26/2019)
9. US announces 10% and 25% tariffs on \$7.5 billion in European goods (10/03/2019)
10. US postpones proposed tariff hike to 30% on Chinese goods (10/15/2019)
11. US announces plans to postpone proposed Chinese tariffs indefinitely (12/16/2019)
12. US cuts Chinese 15% tariff to 7.5% on \$120 billion in goods. China reduces tariffs on \$75 billion from 5% to 2.5% (2/14/2020)

Source: FactSet and TaxFoundation.org. Data as of December 31, 2024. Past performance is not a guarantee of future performance.

Equity markets and trade wars during Q1 2025

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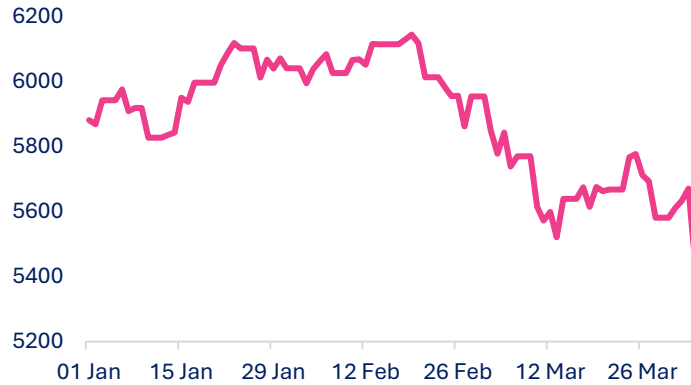
- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Trump is sworn into office. Announces plan to, “tariff and tax foreign countries to enrich our citizens. Announces plans to create “External Revenue Service” (January 20, 2025) 2. Trump threatens 25% tariffs on all Colombia imports after President Gustavo Petro rejects two U.S. military aircrafts carrying migrants. Tariffs were called off by that evening when Colombia reversed its decision to accept the flights (January 26, 2025) 3. Trump signs executive order to impose 10% tariffs on all imports from Mexica and Canada, and 25% on imports from China (February 1, 2025) 4. Trump agrees to a 30-day pause on his tariffs against Mexico and Canada (February 3, 2025) 5. China announces retaliatory tariffs against the US and launches anti-monopoly investigation into Google (February 4, 2025) 6. Trump announces plans to hike steel and aluminum tariffs and removes 2018 exemptions on steel (February 10, 2025) 7. Trump announces plans for reciprocal tariffs. Indicates India and Europe will likely also face 25% tariffs (February 13, 2025) | <ol style="list-style-type: none"> 8. Trump’s 25% tariffs on imports from Canada and Mexico go into effect. Limits the levy to 10% on Canadian energy. Doubles tariffs on Chinese imports to 20% (March 4, 2025) 9. Trump grants a one-month exemption on his new tariffs impacting goods from Mexico and Canada for U.S. automakers (March 5, 2025) 10. Trump postpones 25% tariffs on many imports from Mexico and some imports from Canada for a month (March 6, 2025) 11. China imposes additional 15% taxes on key American farm products, including chicken, pork and soybeans (March 10, 2025) 12. The European union promises new duties on U.S. industrial farm products. The tariffs are delayed until mid-April (March 12, 2025) 13. Trump threatens a 200% tariff on European wine. European Union carries out 50% tariff on American whiskey (March 13, 2025) 14. Trump announces 25% tariff on all imports from any country that buys oil or gas from Venezuela (March 24, 2025) |
|--|---|

Source: FactSet and Associated Press.. Data as of March 31, 2025. Past performance is not a guarantee of future performance.

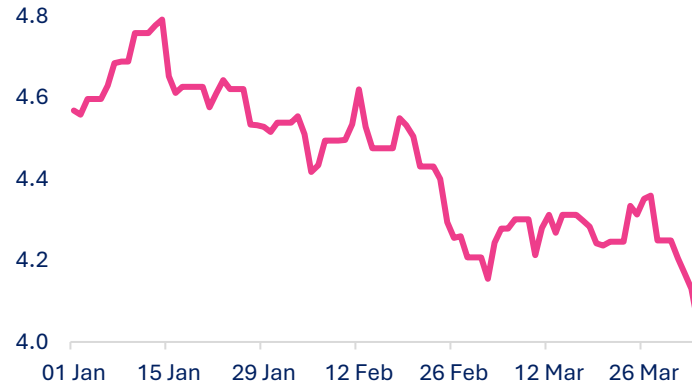
What has the market reaction been?

Risk off: equities off, bonds up, JPY v strong, oil down, HY spreads wider

US equities down 3%



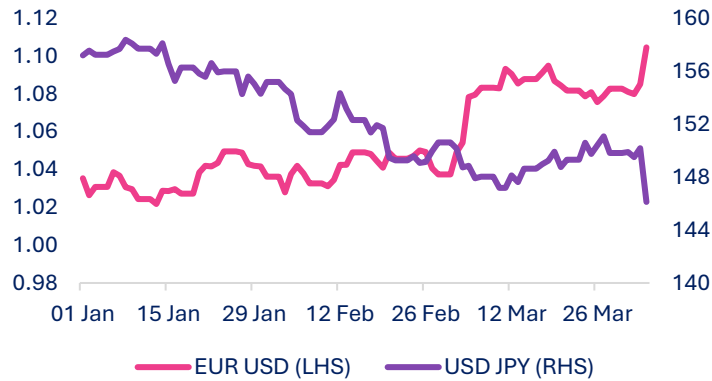
Yields down 15bps



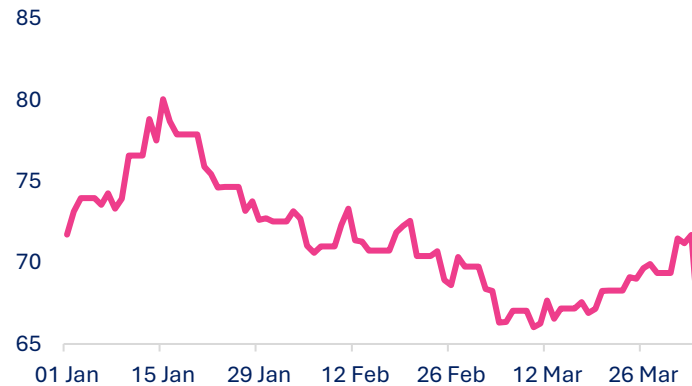
Yields curve broadly stable



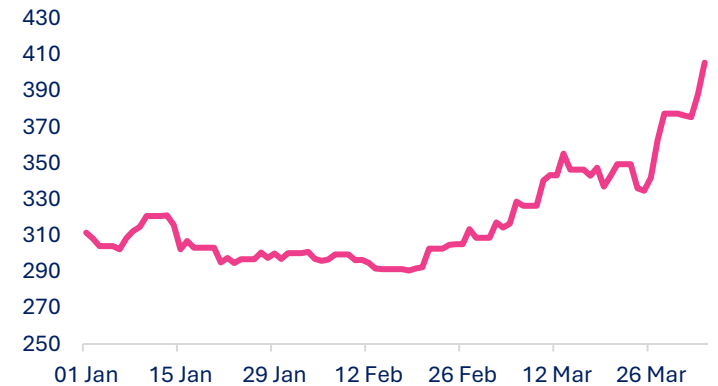
USD down by 2%



Oil down 6%



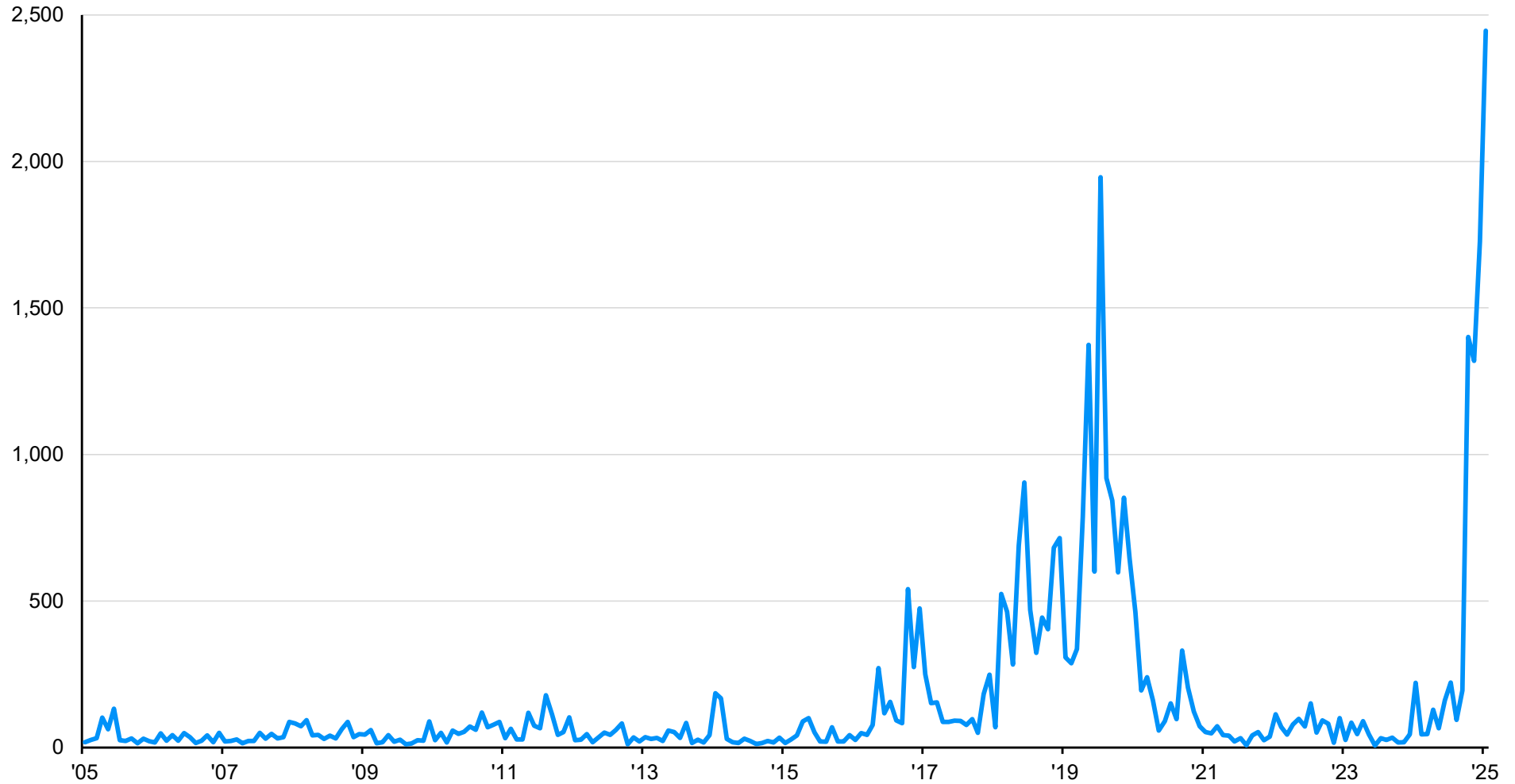
HY spreads wider



Trade uncertainty is at an all-time high

Trade uncertainty index

Index level, monthly

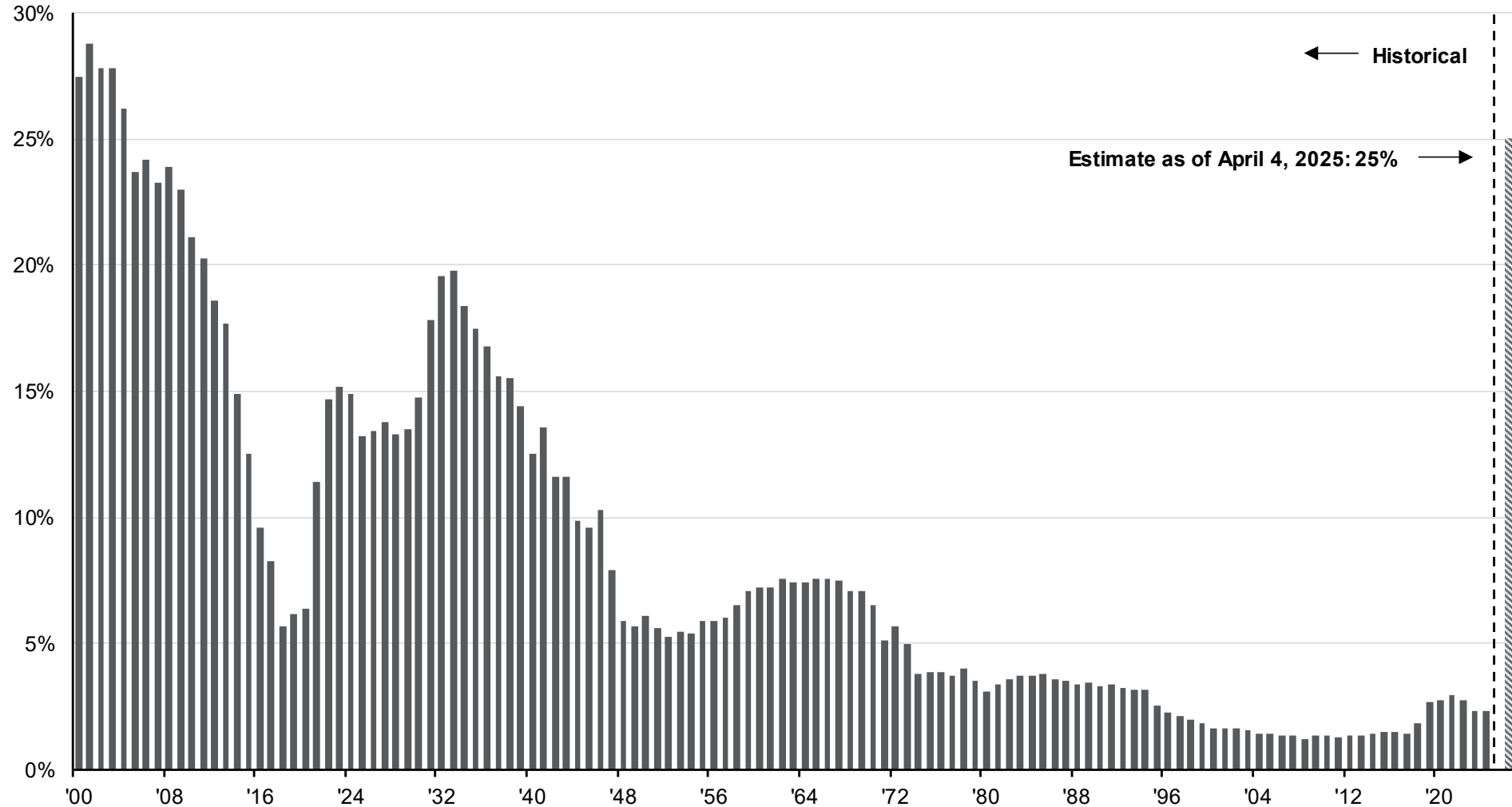


Source: U.S. Census Bureau, J.P. Morgan Asset Management.
Data are as of March 23, 2025.

Average tariff rate on U.S. goods imports for consumption

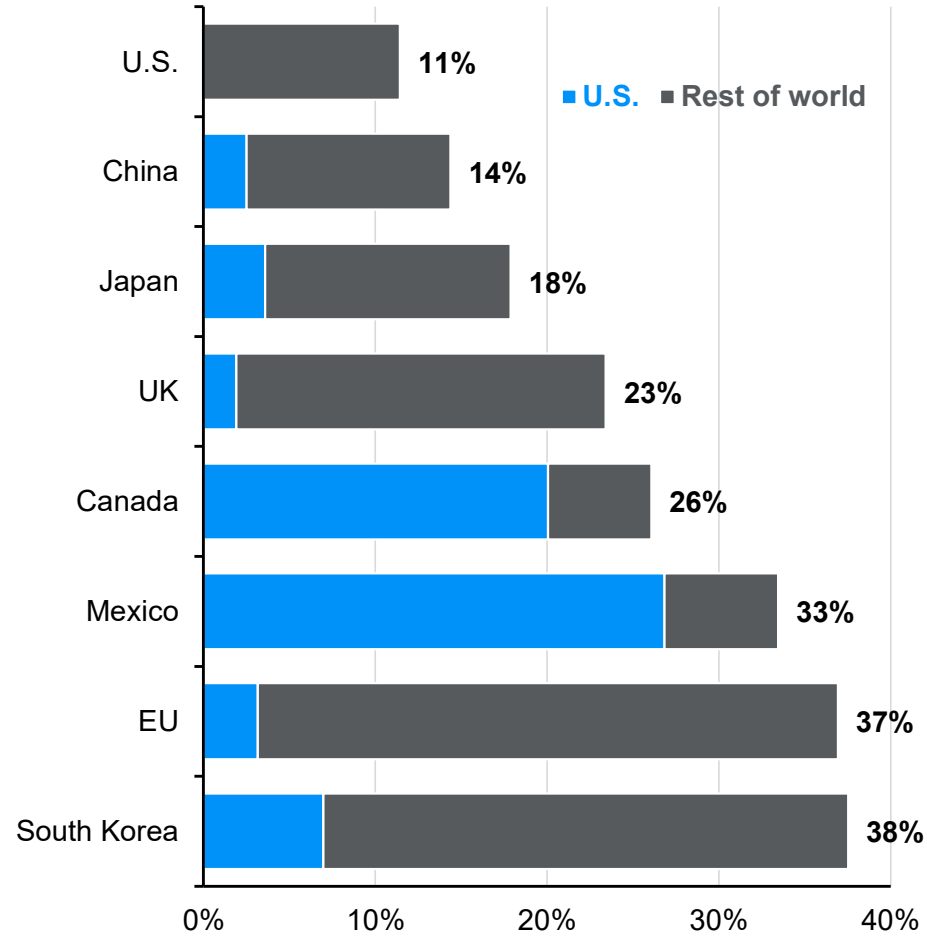
Average tariff rate on U.S. goods imports for consumption

Duties collected / value of total goods imports for consumption

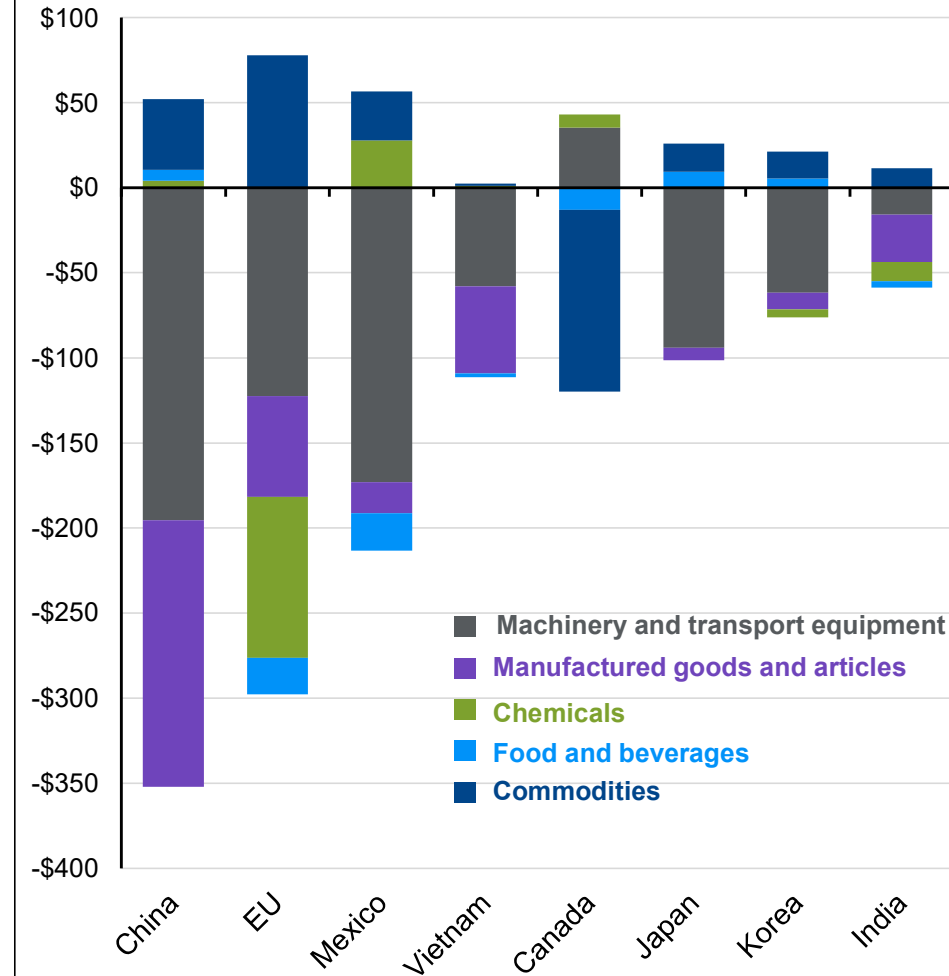


Exposures to tariffs

Exports exposure by country
% of nominal GDP, USD, goods, 2023



U.S. trade balance by trading partner and product
USD billions, 2023, SITC-1 classifications, ranked by deficit size



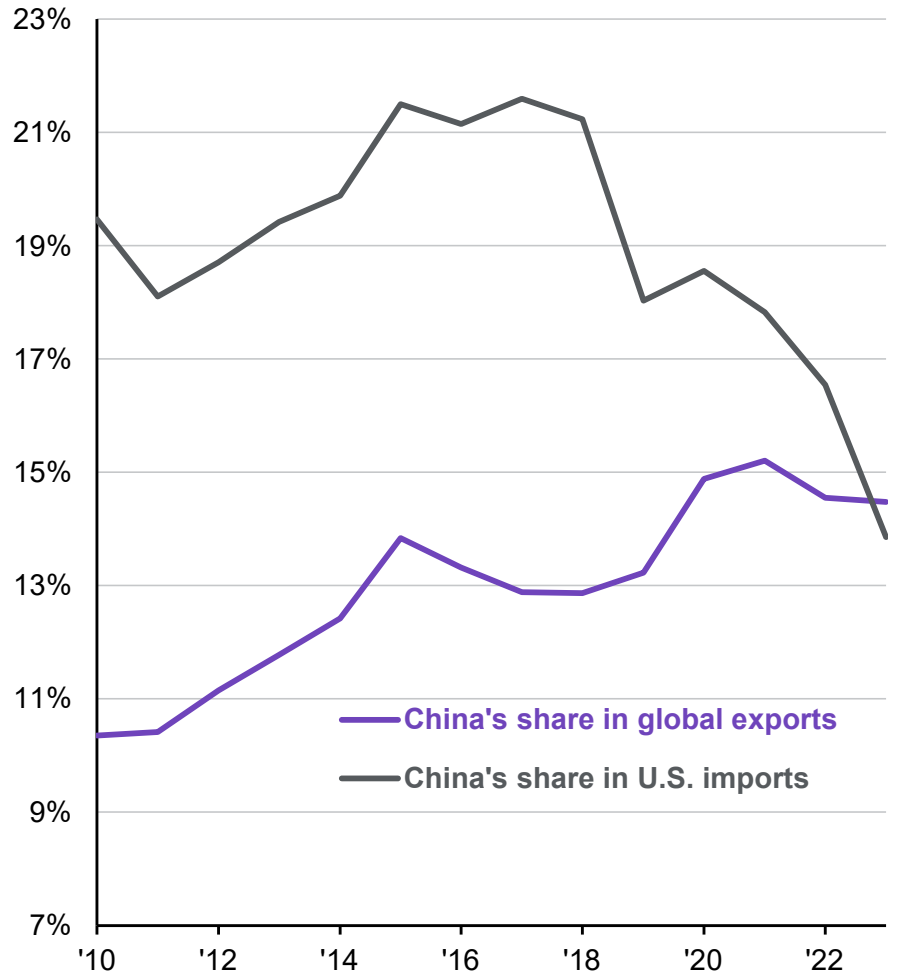
Source: UN Comtrade, J.P. Morgan Asset Management.
Data are as of March 23, 2025.

China has reduced U.S. trade reliance and is trading more with other partners

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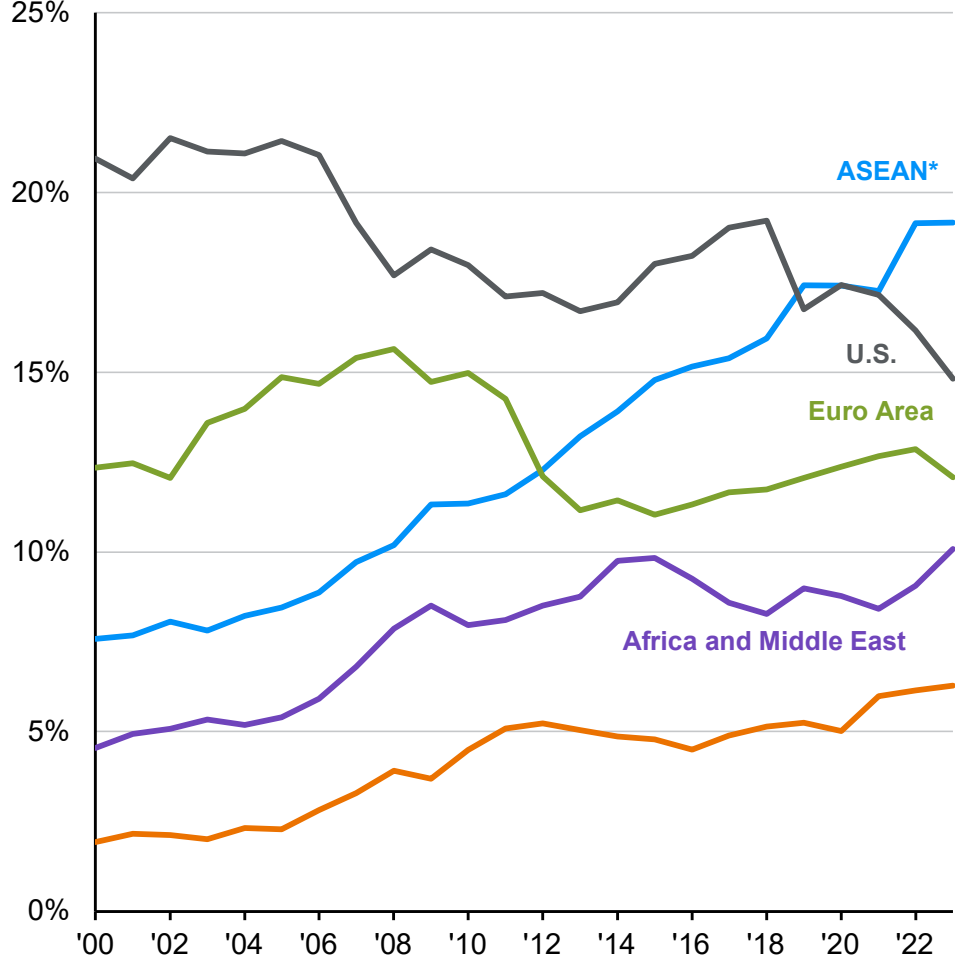
China exports

Percent, annual



Chinese exports by destination

% of total Chinese goods exports, annual

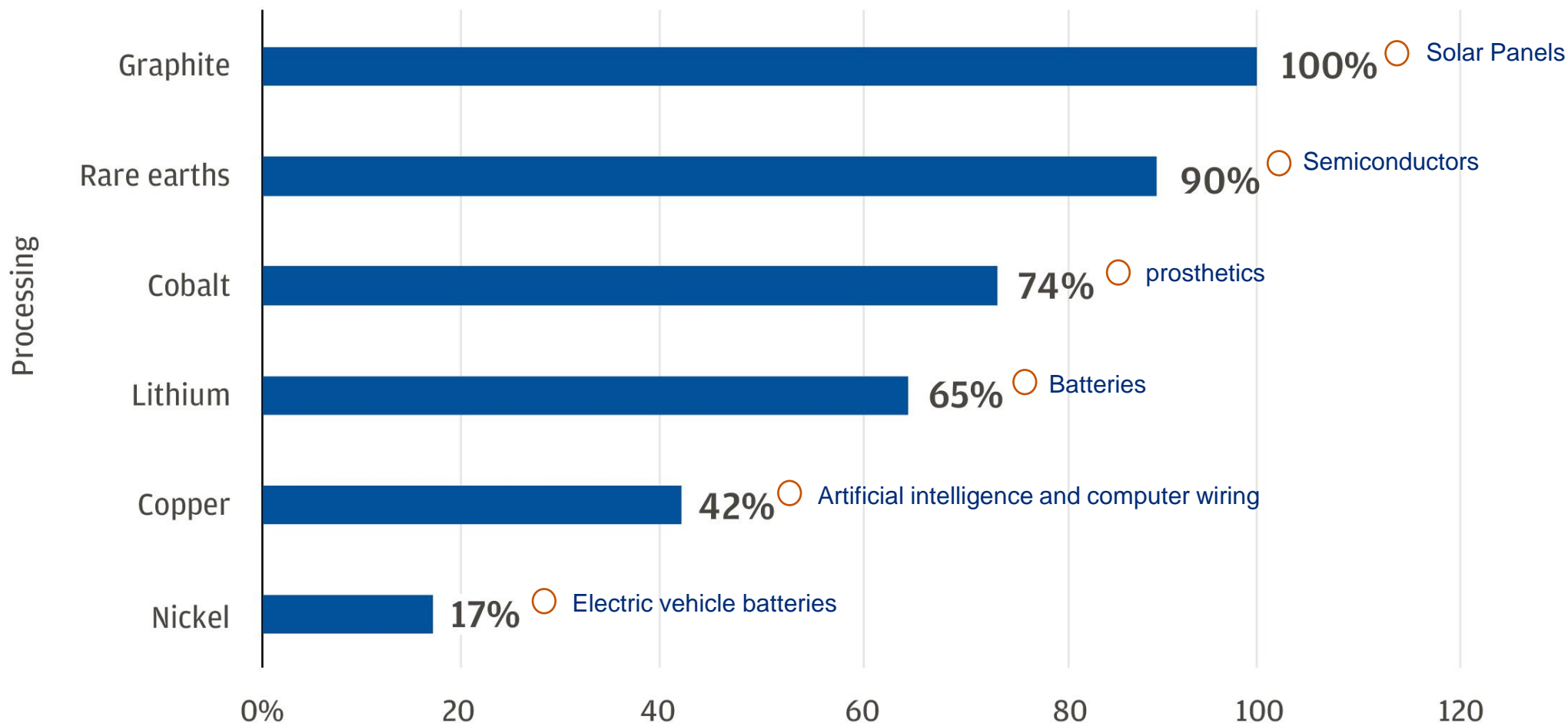


Source: J.P. Morgan Asset Management. (Left) World Trade Organization. (Right) FactSet, IMF – Direction of Trade Database. *ASEAN refers to Brunei Darussalam, Myanmar/Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand and Vietnam. **Latin America refers to the 10 largest countries by GDP in 2023, namely Argentina, Brazil, Bolivia, Chile, Colombia, Dominican Republic, Ecuador, Guatemala, Mexico, Peru, Venezuela.

Data are as of March 23, 2025.

China processes 90% of the world's rare earth elements

China % of global, %

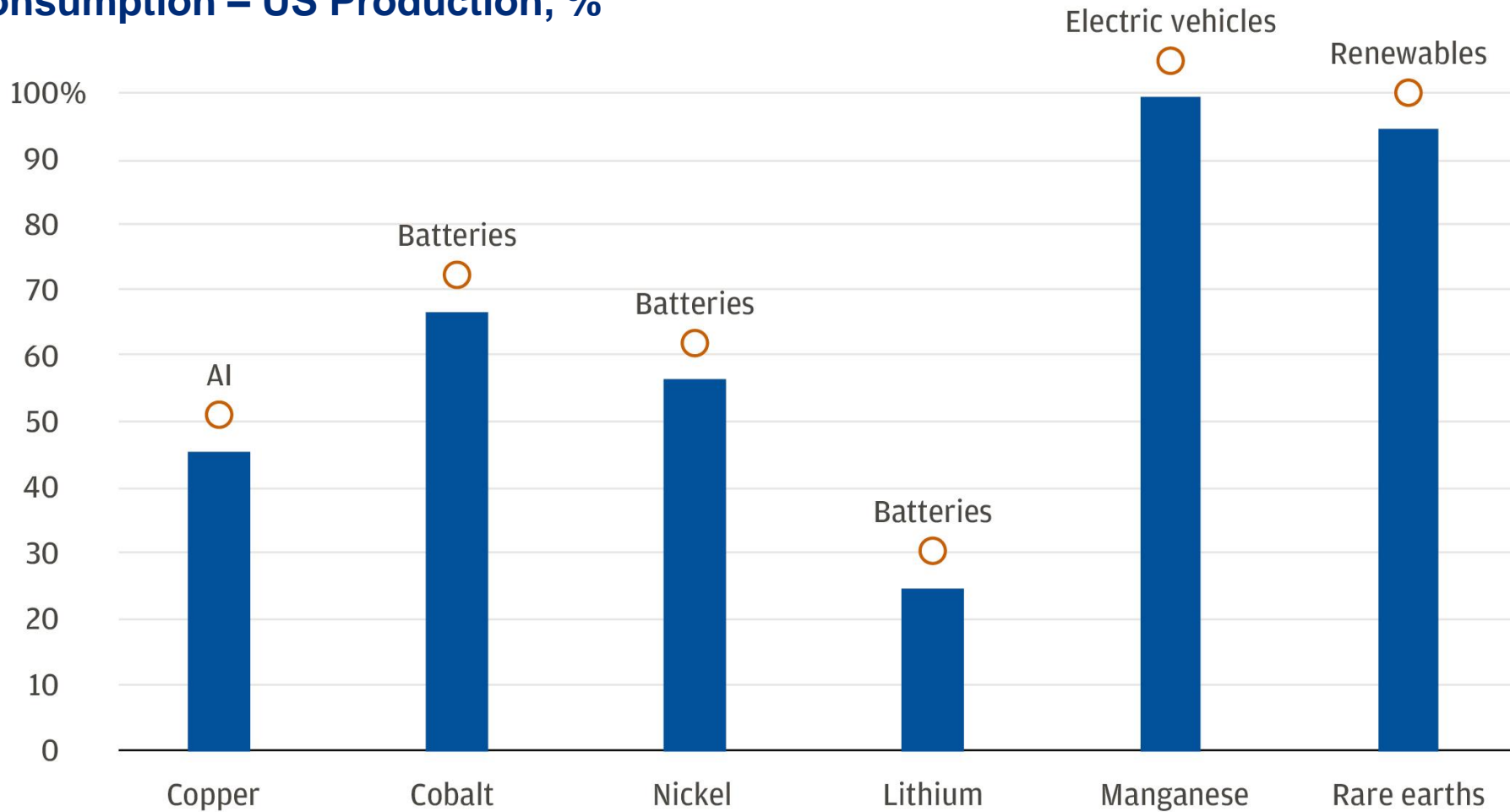


○ Critical input for

Source: J.P. Morgan Tariffs on the rise: implications for your portfolio. Article published Jan 14, 2025. Original data sourced from IEA analysis based on S&P global, USGS, mineral commodity summaries, benchmark mineral intelligence, wood Mackenzie. Data as of 2022. "Critical input for" represents commentary added by Mercer.

The United States has a net import reliance

US Consumption – US Production, %

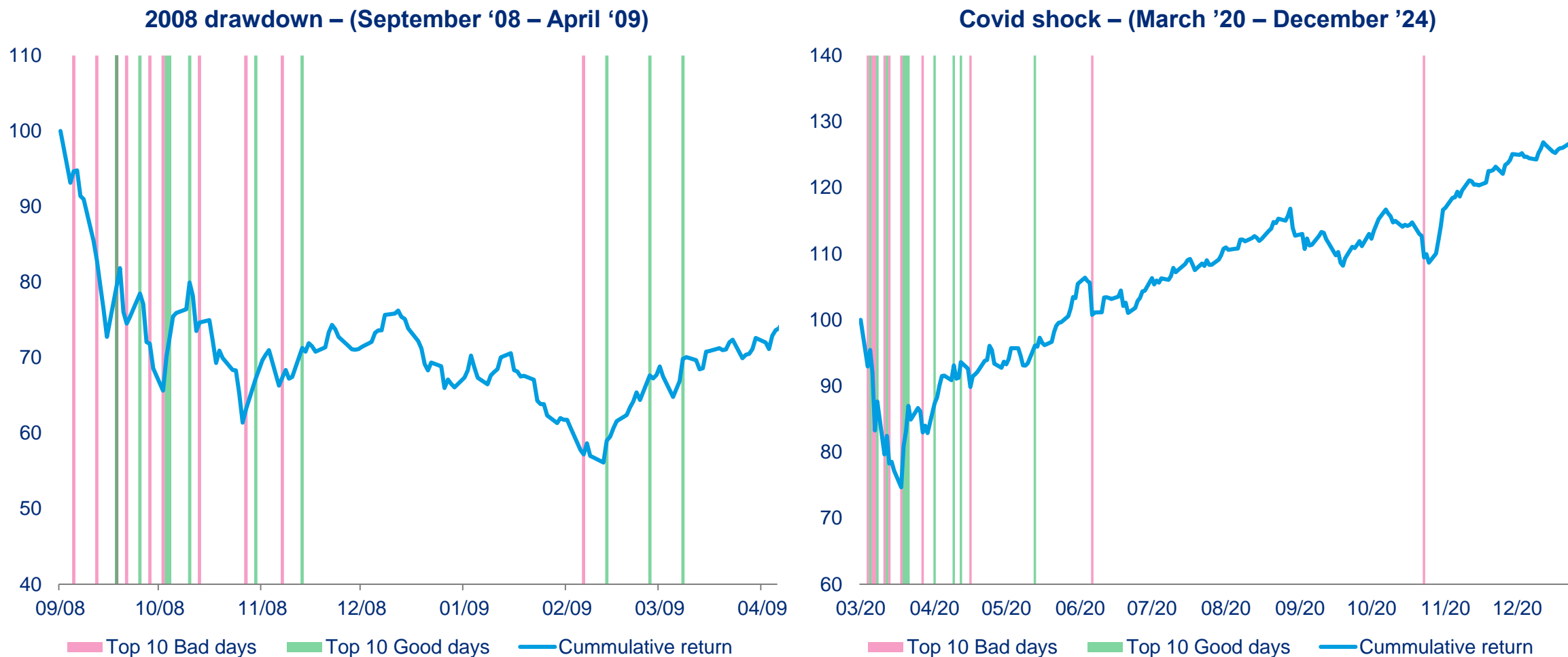


○ Critical input for

Source: J.P. Morgan Tariffs on the rise: implications for your portfolio. Article published Jan 14, 2025. Original data sourced from Census Bureau and Bloomberg Finance L.P. Data as of 2023.

Market timing is difficult and warrants smaller risk budget:

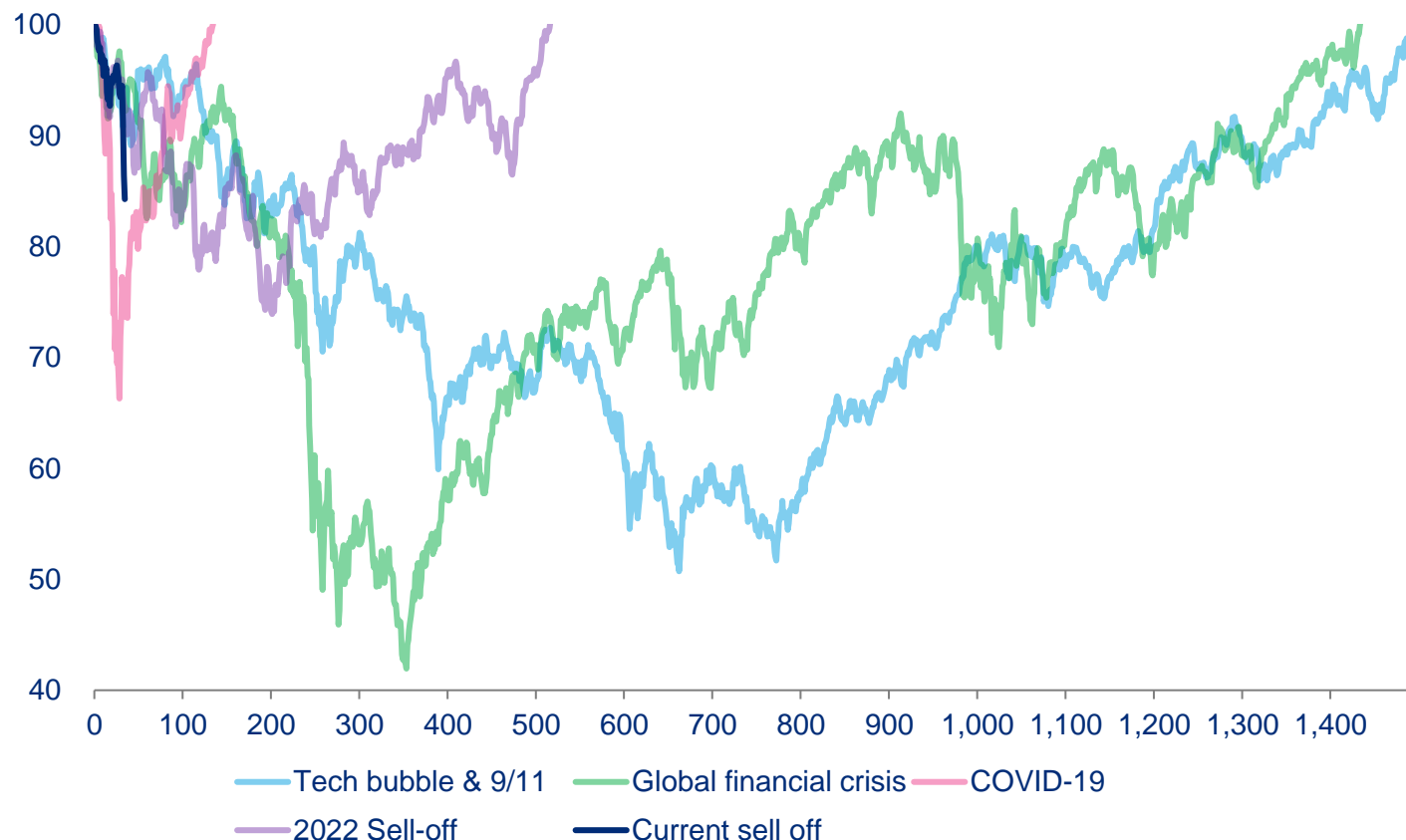
The best equity days often come in short order after the worst days



Source: Bloomberg. Data as of March 31, 2025. Individual bars represent a single days equity return.

Some drawdowns take longer to recover, especially if associated with a recession

Recent equity drawdown experiences

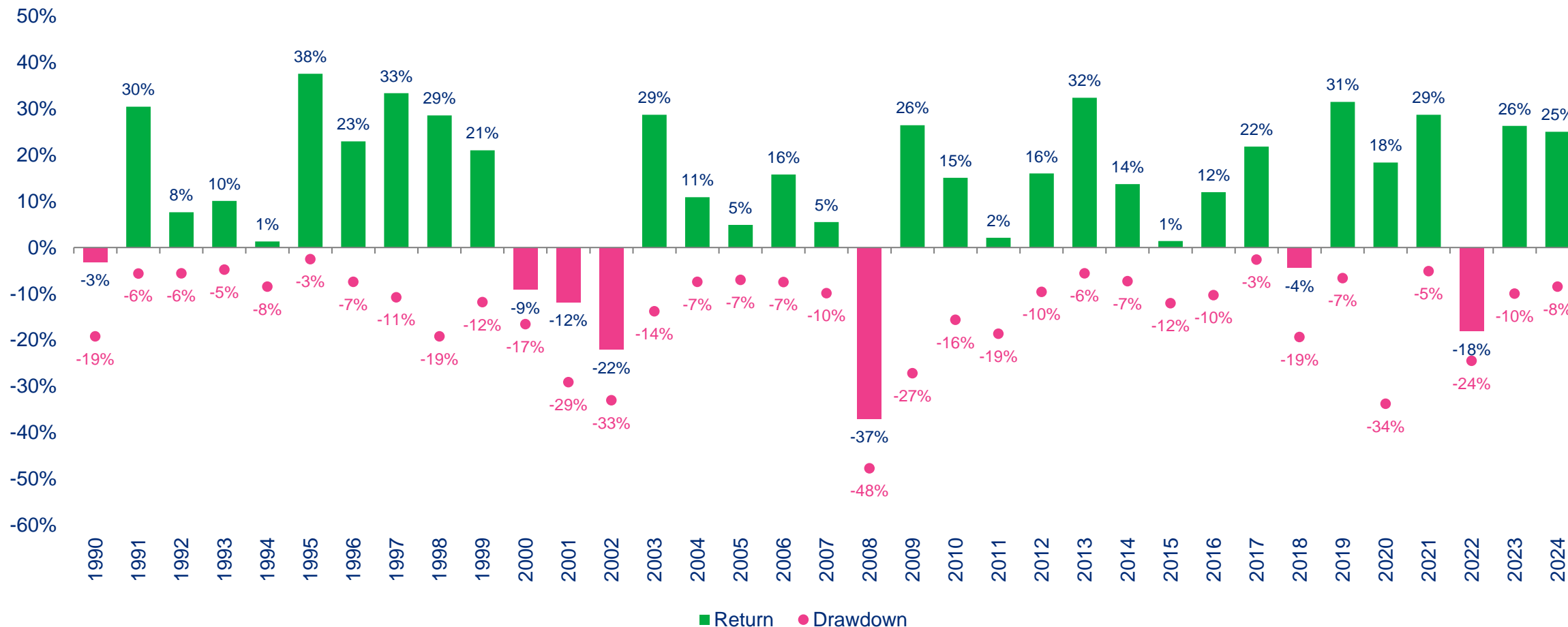


Event	Peak Date	Peak to Trough	Max drawdown	Trough to previous peak
Tech bubble & 9/11	3/27/2000	926 Days	(49.3%)	1162 Days
Global financial crisis	10/31/2007	495 Days	(58.0%)	1513 Days
COVID-19	2/12/2020	40 Days	(33.7%)	148 Days
2022 Sell-off	1/4/2022	281 Days	(26.1%)	441 Days

Source: Bloomberg. Data as of April 7, 2025. Equity returns = MSCI ACWI.

Drawdowns are the cost of realizing long-term returns

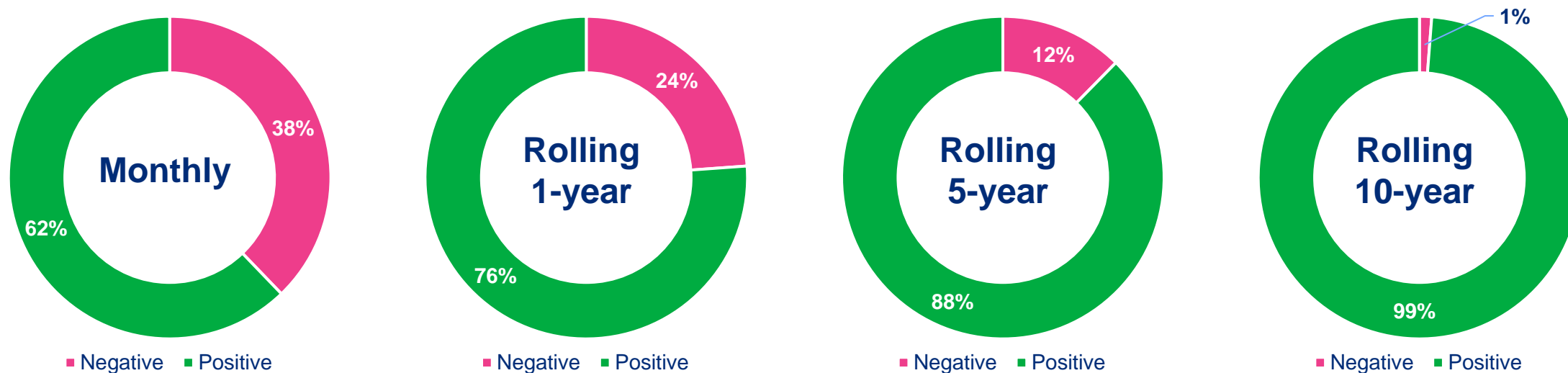
S&P 500 Intra-year Drawdowns vs Calendar Year Returns



Source: Bloomberg. Data as of December 31, 2024. S&P 500 Total Return index.

Even with market corrections and recessions you can tilt the odds in your favor by staying invested for the long-term

Percentage of positive/negative equity returns over different rolling periods (1987-2025)



Source: Refinitiv. Data as of March 31, 2025. Equity returns = MSCI ACWI.

Continue to rebalance in periods of market stress

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01 Stick to your rebalancing policy even during periods of market volatility

- Disciplined rebalancing involves buying assets that have fallen in value, so you participate in subsequent market recoveries
- Don't assume it's easy to time decisions to suspend or resume rebalancing; behavioral biases are strong in periods of market stress

02

Rebalancing keeps the risk profile of your portfolio aligned with your objectives

- Without rebalancing, the volatility of your portfolio or its tracking error relative to any benchmark can increase over time
- Portfolios can become less diversified as the asset mix of the portfolio moves away from target allocations

03 Be alert to the impact of illiquid allocations

- Review your cashflow assumptions for capital calls and distributions from any existing private markets program
- Consider how you will fund capital calls, taking account of the impact on your liquid asset allocation
- When reviewing asset allocation, bear in mind that private markets asset values have a timing lag

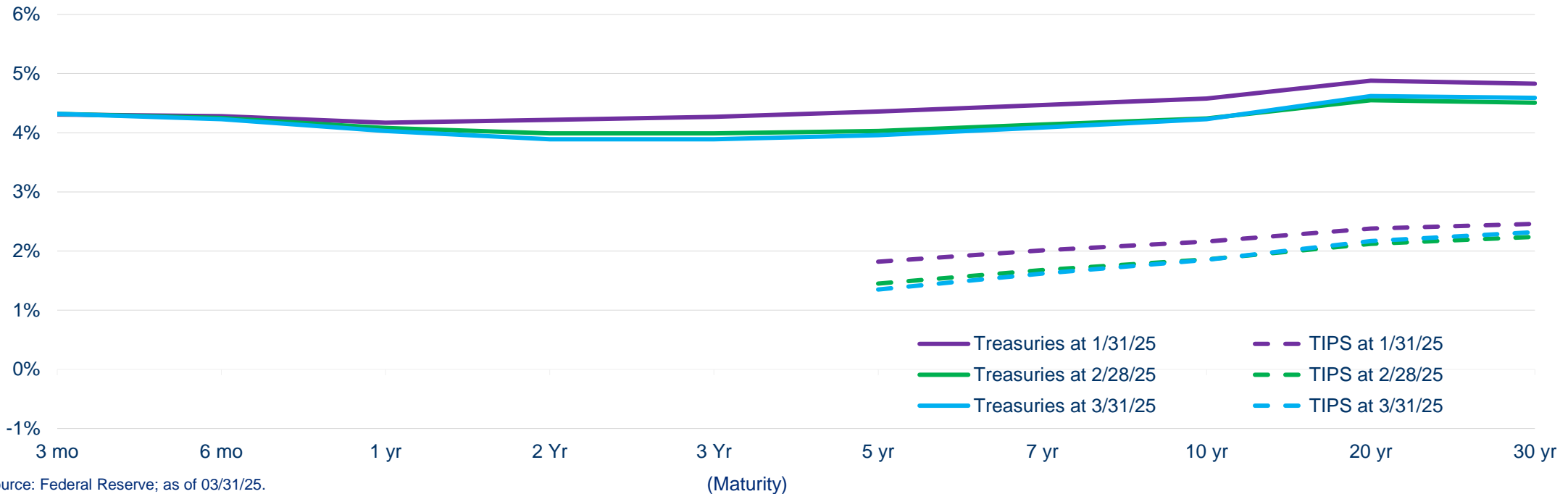
Appendix

Flat yields lead to muted fixed income performance

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- Fixed income, as measured by the Bloomberg US Aggregate Index was flat in March. US yields were flat whilst some overseas yields rose moderately, leading to weak fixed income performance.
- The US 10-year yield fell by 1 bp, whilst UK and German 10-year yields rose by 16 bps and 31 bps, respectively. Japanese yields rose by 11 bps amid expected rate hikes in Japan this year, while Australian yields rose 10 bps.¹
- Credit spreads widened for high yield and changed little for investment grade but remain at historically tight levels. US investment grade and high yield both had negative returns due to rising yields and widening spreads for high yield. Investment grade outperformed high yield.
- Local currency outperformed hard currency emerging market debt due to a slightly weaker dollar.

Treasury Yield Curve

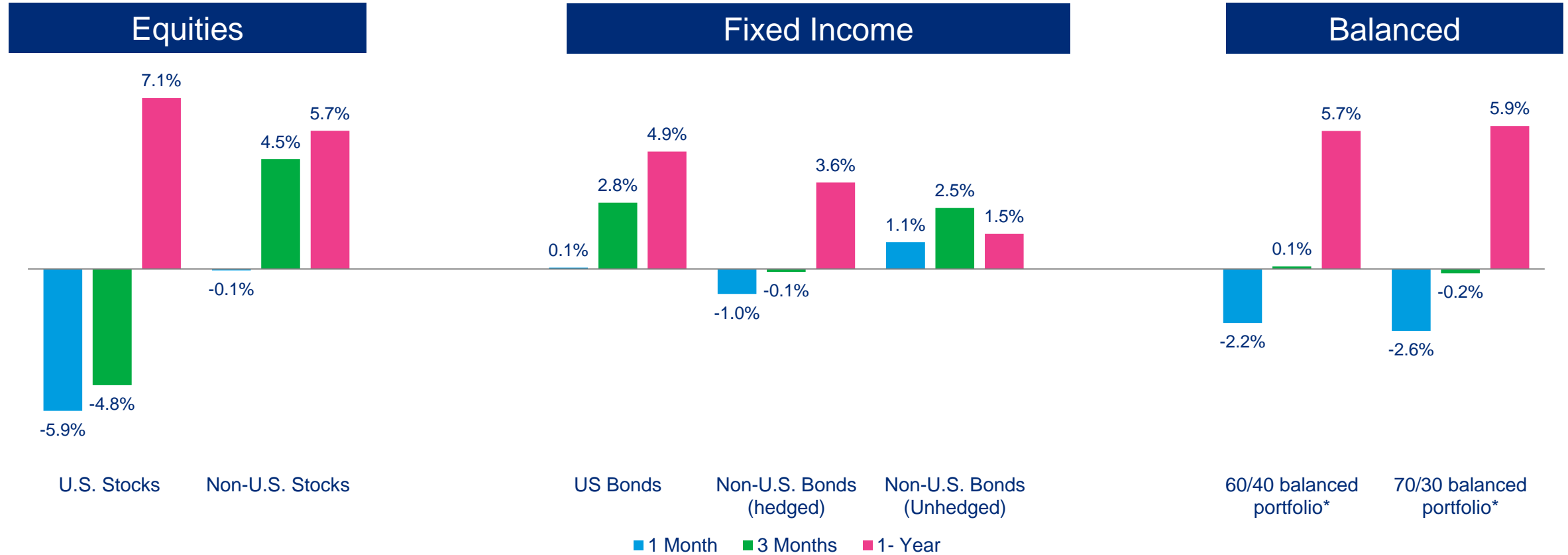


Source: Federal Reserve; as of 03/31/25.

¹Source: Refinitiv and US Treasury. Data as of 03/31/25

Global market returns – overview

Global market returns as of March 31, 2025 (%)



Source: Refinitiv, Bloomberg; as of 03/31/25.

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: Bloomberg, FTSE, MSCI, Russell, CRSP and Dow Jones.

US Stocks (CRSP US Total Market Index), Non-US Stocks (FTSE Global All-Cap ex-US Index), US Bonds (Bloomberg US Aggregate Float Adjusted Index), Non-US Bonds hedged (Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index hedged), Non-US Bonds unhedged (Bloomberg Global Aggregate Index ex-USD).

*60/40 balanced portfolio Static Composite (36% U.S. stocks, 24% international stocks, and 28% U.S. bonds, 12% international bonds).

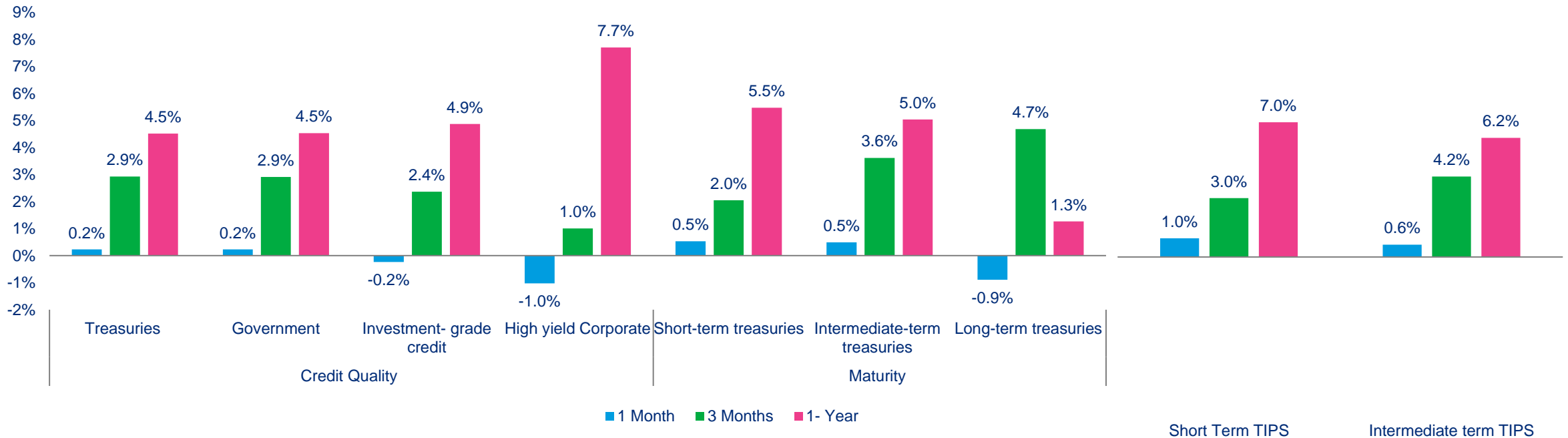
*70/30 balanced portfolio Static Composite (42% U.S. stocks, 28% international stocks, and 21% U.S. bonds, 9% international bonds).

Global market returns – fixed income

Global market returns as of March 31, 2025 (%)

U.S. fixed income

Inflation-sensitive fixed income



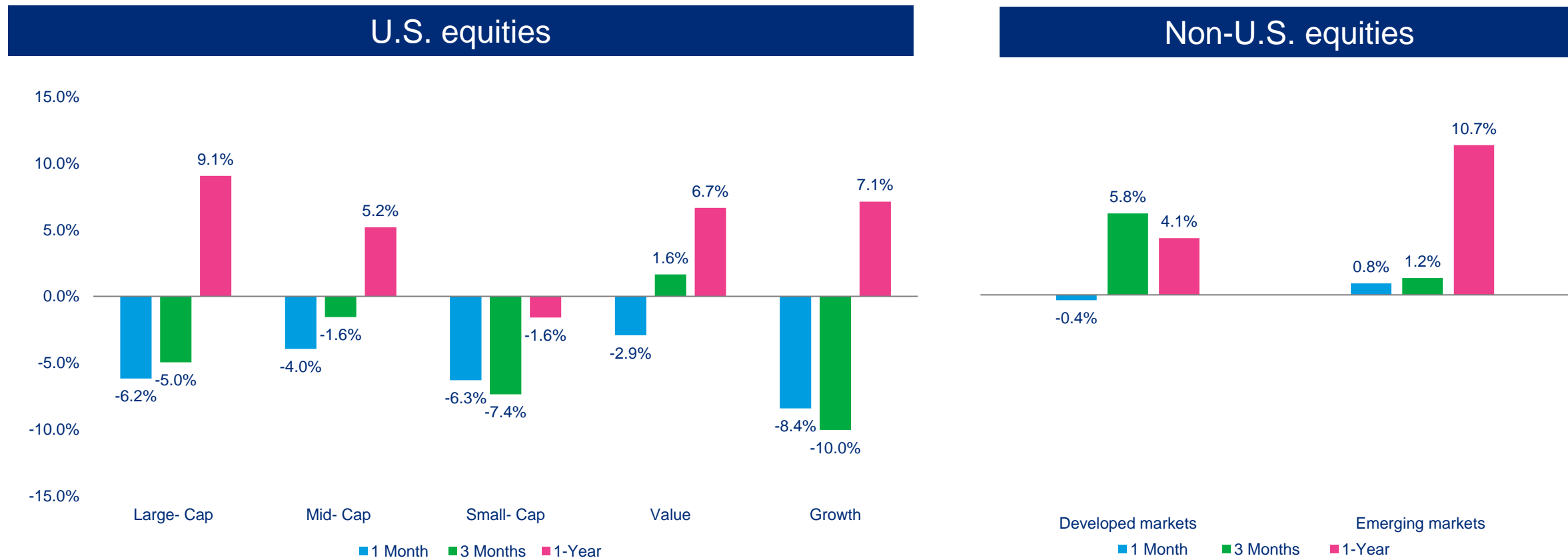
Source: Refinitiv, Bloomberg; as 03/31/25.

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Treasuries (Bloomberg US Treasury Index), Government (Bloomberg US Government Index), Investment-grade credit (Bloomberg US Credit Index), High Yield Corporate (Bloomberg US High Yield Corporate index), Short Term treasuries (Bloomberg US 1-5yr Treasury Index), Intermediate term treasuries (Bloomberg US 5-10yr Treasury Index), Long term Treasuries (Bloomberg US Long Treasury Index), Short Term TIPS (Bloomberg US Treasury 0-5yr TIPS Index), Intermediate term TIPS (Bloomberg US TIPS Index)

Global market returns – equities

Global market returns as of March 31, 2025 (%)



Source: Refintiv, Bloomberg; as of 03/31/25.

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Large-Cap (CRSP US Mega Cap Index), Mid-Cap (CRSP US Mid Cap Index), Small-Cap (CRSP US Small Cap Index), Value (Russell 3000 Value Index), Growth (Russell 3000 Growth Index), Developed Markets (FTSE Developed All Cap ex US Index), Emerging Markets (FTSE Emerging Markets All Cap China A Inclusion Index)

Benchmark descriptions

Policy Benchmark:

The client's policy benchmark is a weighted set of indices that align to the Investment Management Agreement Schedule B which sets forth the strategic asset allocation for the client portfolio. The Policy Benchmark is rebalanced monthly. Allocations may change overtime as the investment strategy changes. See Benchmark allocation history for details.

The benchmarks for asset and sub-asset classes on the Performance summary reports is determined by the client's primary policy benchmark. Asset and sub-asset class benchmarks are a proportionally representation of their segment within the client's primary policy benchmark and adjusts over time with the changes in the policy benchmark. See Benchmark allocation history for details.

Vanguard spliced benchmarks:

Spliced Total Stock Market Index: Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.

Spliced Total International Stock Index: Total International Composite Index through August 31, 2006; MSCI EAFE + Emerging Markets Index through December 15, 2010; MSCI ACWI ex USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.

Spliced Emerging Markets Index: Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; FTSE Emerging Markets All Cap China A Transition Index through September 18, 2016; and FTSE Emerging Markets All Cap China A Inclusion Index thereafter. Benchmark returns are adjusted for withholding taxes.

Spliced Extended Market Index reflects the performance of the Dow Jones U.S. Completion Total Stock Market Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.

Spliced Dev ex North America Index reflects the performance of the MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index thereafter

Real Estate Spliced Index: MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through February 1, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

Spliced Bloomberg U.S. Aggregate Float Adjusted Index: Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.

Spliced Bloomberg U.S. 1-5Yr Government/Credit Float Adjusted Index: Bloomberg U.S. 1-5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 1-5 Year Government/Credit Float Adjusted Index thereafter.

Spliced Bloomberg U.S. Long Government/Credit Float Adjusted Index: Bloomberg U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. Long Government/Credit Float Adjusted Index thereafter.

Spliced Intermediate Investment-Grade Debt Funds Average: Lipper Intermediate US Gov't Funds Average through December 31, 2001; Lipper Intermediate Inv-Grade Debt Funds Avg through August 31, 2013; Lipper Core Bond Funds Average thereafter.

Spliced Small Cap Value Index: S&P SmallCap 600/Barra Value Index through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.

Benchmark descriptions (continued)

Market benchmarks:

Balanced Composite Index: Weighted 60% Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) and 40% Lehman Brothers U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index thereafter.

Bloomberg Barclays 1-5 Yr Credit (Ret): The index measures the performance of the investment grade, US dollar denominated, fixed-rate, taxable corporate and government related bonds with maturity of 1-5 years. It is comprised of the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities.

Bloomberg Barclays 1-5 Yr Treas (Ret): The index measures the performance of US treasuries with maturity of 1 to 4.9999 Years.

Bloomberg Barclays Global Aggregate ex USD Float Adjusted RIC - USD Hedged (Ret): The index measures the performance of the global, investment-grade, fixed rate debt markets, including government, government agency, corporate and securitized non-U.S. fixed income investments - all issued in currencies other than the U.S. dollar and with maturities of more than one year - with the foreign currency exposure of the securities included in the Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index hedged to the Canadian dollar. It is market capitalization-weighted.

Bloomberg Barclays Global Aggregate ex USD TR USD (Ret): The index measures the performance of global investment grade fixed-rate debt markets that excludes USD-dominated securities.

Bloomberg Barclays Intermediate U.S. Treasury (Ret): The index measures the performance of public obligations of the U.S. Treasury with maturities of 1-10 years, including securities roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

Bloomberg Barclays Long A+ U.S. Credit (Ret): The index measures the performance of the US Corporate and a non-corporate component with maturities of 10 years and greater that includes foreign agencies, sovereigns, supranationals and local authorities. It applies a more or less stringent set of constraints to any existing index. The index is a subset of the US Government/Credit Index and the US Aggregate Index.

Bloomberg Barclays Long Term U.S. Treasury (Ret): This index measure the performance of U,S. treasury bill with long term maturity. The credit level for this index is investment grade. The rebalance scheme is monthly.

Bloomberg Barclays Treasury 1-5 Year (Ret): This index measures the performance of US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury with 1-5 years maturities.

Bloomberg Barclays U.S. Aggregate (Ret): The index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. It rolls up into other Bloomberg flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

Bloomberg Barclays U.S. Aggregate Float Adjusted (Ret): The index measures the performance of a new benchmark of the broad fixed-rate USD-denominated investment grade bond market that excludes securities held in the Federal Reserve System Open Market Account (SOMA).

Bloomberg Barclays U.S. Corporate High Yield (Ret): The index measures the performance of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds, including corporate bonds, fixed-rate bullet, puttable, and callable bonds, SEC Rule 144A securities, Original issue zeros, Pay-in-kind (PIK) bonds, Fixed-rate and fixed-to-floating capital securities.

Bloomberg Barclays U.S. Credit (Ret): The index measures the performance of the US Corporate and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities. It is a subset of the US Government/Credit Index and the US Aggregate Index.

Bloomberg Barclays U.S. Credit: 5-10 Yr (Ret): The index measures the performance of the US Corporate and a non-corporate component with maturities of 5-10 year that includes foreign agencies, sovereigns, supranationals and local authorities. It is a subset of the US Government/Credit Index and the US Aggregate Index.

Benchmark descriptions (continued)

Bloomberg Barclays U.S. Gov/Credit Float Adjusted: Long (Ret): The index measures the performance of the non-securitized component of the US Aggregate index with maturities of 10 years and greater. It uses alternative weighting schemes instead of market value weights.

Bloomberg Barclays U.S. Intermediate Credit (Ret): The index measures the performance of the US Corporate and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities with maturities of 1-10 years. It is a subset of the US Government/Credit Index and the US Aggregate Index.

Bloomberg Barclays U.S. Long Credit (Ret): The index measures the performance of the US Corporate and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities with maturities of 10 years and greater. It is a subset of the US Government/Credit Index and the US Aggregate Index.

Bloomberg Barclays U.S. Treasury (Ret): The index measures the performance of public obligations of the U.S. Treasury, including securities roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

Bloomberg Barclays U.S. Treasury TIPS 0-5 Years (Ret): The index measures the performance of rules-based, market value-weighted inflation-protected securities issued by the U.S. Treasury. It is a subset of the Global Inflation-Linked Index (Series-L) with the 0-5 years maturities.

Bloomberg Barclays U.S. Treasury TIPS 1-5 Years (Ret): The index measures the performance of inflation-protected securities with maturities of 1-5 years issued by the U.S. Treasury. It is a subset of the Global Inflation-Linked Index (Series-L), with a 38.5% market value weight in the index (as of December 31, 2010), but is not eligible for other nominal Treasury or Aggregate indices.

Bloomberg Barclays U.S. Treasury: 5-10 Yr (Ret): The index measures the performance of public obligations of the U.S. Treasury with maturities of 5-10 years, including securities roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

Bloomberg Barclays U.S. Treasury: Long (Ret): The index measures the performance of public obligations of the U.S. Treasury with maturities of 10 years and greater, including securities roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

Bloomberg Barclays U.S. Treasury: U.S. TIPS (Ret): The index measures the performance of rules-based, market value-weighted inflation-protected securities issued by the U.S. Treasury. It is a subset of the Global Inflation-Linked Index (Series-L).

Bloomberg Barclays US Treasury Inflation Notes 5+ Years (Ret): The index measures the performance of inflation-protected securities issued by the U.S. Treasury (TIPS) with the maturities more than 5 years.

Bloomberg Barclays USD Emerging Markets Government RIC (Ret): The index measures the performance of US dollar-denominated bonds issued by emerging market governments, government agencies and government-owned corporations with maturities longer than one year. CRSP US Total Market: The index measures the performance of broad US securities that traded on NYSE, NYSE Market, NANASDAQ or ARCA. It captures nearly 100% of the US investable equity market with around 4000 constituents across mega, large, small and micro capitalizations.

Dow Jones U.S. Total Stock Market Index: The index measures the performance of all US equity securities with readily available prices. It represents the top 95% of the US stock market based on market capitalization. The index is float-adjusted market capitalization weighted.

FTSE GLOBAL ALL CAP EX US INDEX: The index measures the performance of large, mid and small cap stocks globally excluding the US. It is derived from the FTSE Global Equity Index Series (GEIS). The index is market-capitalization weighted.

MSCI ACWI - Daily: The index measures the performance of the large and mid cap segments of all country markets. It is free float-adjusted market-capitalization weighted.

MSCI ACWI ex USA - Daily: The index measures the performance of the large and mid cap segments of the particular regions, excluding USA equity securities, including developed and emerging market. It is free float-adjusted market-capitalization weighted.

Benchmark descriptions (continued)

MSCI EM (EMERGING MARKETS) - Daily: The index measures the performance of the large and mid cap segments of emerging market equity securities. It is free float-adjusted market-capitalization weighted.

MSCI US BROAD MARKET INDEX - Daily: The index measures the performance of broad US equity market. It includes constituents across large, mid, small and micro capitalizations, representing most of the US equity universe. The index is free float adjusted market-capitalization weighted.

MSCI US REIT INDEX - Daily: The index measures the performance of the large, mid and small cap segments of the US equity securities. It is comprised of Equity REITs securities and based on the MSCI USA Investable Market Index, with the exception of Mortgage REIT and selected Specialized REITs. The index represents approximately most of the US REIT universe and securities are classified in the REIT sector according to the Global Industry Classification Standard. It is a free float market capitalization weighted index.

MSCI WORLD ex USA - Daily - Net: The index measures the performance of the large and mid cap segments of world, excluding US equity securities. It is free float-adjusted market-capitalization weighted.

Consumer Price Index for all Urban Consumers (CPI-U): This index measures the changes in prices of goods and services purchased by urban households.

IA SBBI US Inflation: An unmanaged index designed to track the U.S. inflation rate. The Consumer Price Index for All Urban Consumers, or CPI-U, is used by IA SBBI to measure inflation, which is the rate of change of consumer goods prices.

US Treasury T-Bill Auction Ave 3 Month: Three-month T-bills are government backed-short-term investments considered to be risk-free and as good as cash because the maturity is only three months. Morningstar collects yields on the T-bill on a weekly basis from the Wall Street Journal.

Additional Information

Gross Portfolio Returns represent client-specific time-weighted returns (TWR) of the entire portfolio including the deduction of mutual fund expense ratios, purchase/redemption fees, and other security-level expenses, but gross of advisory and service fees applied to the client portfolio.

Client performance inception date is generally the first month-end after initial funding.

Lipper Fund Average performance figures assume the reinvestment of dividends and capital gains distributions. The fund performance percentages are based on fund total return data, adjusted for expenses, obtained from Lipper, a Thomson Reuters Company, and was not adjusted for fees and loads.

Clients invested in Exchange-traded Funds “ETFs” transact at the market price during market trading hours. ETF performance for clients is also based on the market price at close, which may be different than the fund’s Net Asset Value.

Market value and returns for individual securities are calculated using the client’s daily custodial records. As a result, returns may vary slightly from the official month-end returns of a security as reported on Vanguard.com.

Glossary of risk metrics:

Standard Deviation is a risk measure of dispersion around the mean return.

Tracking Error is a relative risk measure of the standard deviation of excess returns.

Sharpe Ratio is a total risk measure of portfolio reward to variability.

Information Ratio is a relative risk measure of portfolio excess returns and tracking error.

Jensen's Alpha is a systematic risk measure of excess return adjusted for systematic risk.

Beta is a systematic risk measure of the sensitivity of portfolio returns to changes in benchmark returns.

R-Squared is the square of the correlation coefficient and is the proportion of portfolio returns variance that is related to benchmark returns variance.

Disclosures

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Investments in bond funds are subject to the risk that an issuer will fail to make payments on time and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments. High-yield bonds generally have medium- and lower-range credit quality ratings and are therefore subject to a higher level of credit risk than bonds with higher credit quality ratings. Although the income from a municipal bond fund is exempt from federal tax, you may owe taxes on any capital gains realized through the fund's trading or through your own redemption of shares. For some investors, a portion of the fund's income may be subject to state and local taxes, as well as to the federal Alternative Minimum Tax. Diversification does not ensure a profit or protect against a loss. There is no guarantee that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of income.

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CR ACC - Foundation Balance Sheet

Repeat By

Period FY2024-25 - 09-Mar

Worktags

Calculate Current Year Retained E Yes

<i>MiraCosta College Foundation</i>	Unrestricted	Restricted	Restricted & Unrestricted	Restricted & Unrestricted	Restricted & Unrestricted
Period: FY2024-25 - 09-Mar			Total FY24-25 (July 2024 to March 2025)	Prior Year FY23-24 (July 2023 to March 2024)	Prior Year FY23-24 (Jul 2023 to June 2024)
Assets	2,599,219.00	21,519,631.14	24,118,850.14	23,460,403.53	23,343,531.68
Cash	608,494.37	231,638.67	840,133.04	1,184,712.73	775,011.73
Investments	1,907,357.14	20,470,604.67	22,377,961.81	20,916,128.21	21,580,667.33
Deferred Gifts - Assets	68,501.00	817,388.20	885,889.20	1,215,026.15	885,889.20
Accounts Receivable/Prepays	14,866.49	(0.40)	14,866.09	144,536.44	101,963.42
Total Assets	2,599,219.00	21,519,631.14	24,118,850.14	23,460,403.53	23,343,531.68
Liabilities	22,489.95	63,363.37	85,853.32	207,285.76	105,449.55
Accounts Payable	22,489.95	63,363.37	85,853.32	207,285.76	105,449.55
Due To Related Entities	0.00	0.00	0.00	0.00	0.00
Due From Related Entities	0.00	0.00	0.00	0.00	0.00
Total Liabilities	22,489.95	63,363.37	85,853.32	207,285.76	105,449.55
Net Position	2,576,729.05	21,456,267.77	24,032,996.82	23,253,117.77	23,238,082.13
Total Liability/Net Position	2,599,219.00	21,519,631.14	24,118,850.14	23,460,403.53	23,343,531.68

CR ACC - Foundation Income Statement

Repeat By

Period

FY2024-25 - 09-Mar

Worktags

<i>MiraCosta College Foundation</i>	Unrestricted	Restricted	Restricted & Unrestricted Total FY24-25 (July 2024 to March 2025)	Restricted & Unrestricted Prior Year FY23-24 (July 2023 to March 2024)	Restricted & Unrestricted Prior Year FY23-24 (Jul 2023 to June 2024)
<i>Period: FY2024-25 - 09-Mar</i>					
Revenues	183,935.15	2,328,709.12	2,512,644.27	3,965,125.88	5,689,048.00
Non-Charitable Revenue	0	25,803.10	25,803.10	49,555.98	112,051.76
Deferred Gifts- Revenue	0	0	0	0	385.05
Contributions	97,972.35	1,243,319.92	1,341,292.27	1,472,112.68	1,924,293.84
Investment Activity	85,962.80	825,784.86	911,747.66	2,211,027.36	2,658,153.76
Gifts In Kind- Revenue	0	233,801.24	233,801.24	232,429.86	994,163.59
Total Revenue	183,935.15	2,328,709.12	2,512,644.27	3,965,125.88	5,689,048.00
Transfers	249,340.30	(249,340.30)	0.00	0.00	0.00
Transfers In	635,190.25	770,887.72	1,406,077.97	1,153,203.33	1,238,396.04
Transfers Out	(385,849.95)	(1,020,228.02)	(1,406,077.97)	(1,153,203.33)	(1,238,396.04)
Total Transfers	249,340.30	(249,340.30)	0.00	0.00	0.00
Total Revenue and Transfers	433,275.45	2,079,368.82	2,512,644.27	3,965,125.88	5,689,048.00
Expenditures	293,675.13	1,424,054.45	1,717,729.58	1,955,646.06	3,694,603.82
General And Administrative	291,369.18	319,453.27	610,822.45	1,190,056.39	2,139,520.55
7900:Contingencies and Suspense	0	0.00	0.00	0	0.00
Direct Student Aid- Non Cash	1,305.95	75,650.03	76,955.98	42,472.87	163,699.49
7600:Other Student Aid	1,305.95	75,650.03	76,955.98	42,472.87	163,699.49
Student Financial Support - Scholarships And Emergency Funds	1,000.00	795,149.91	796,149.91	490,686.94	682,623.58
7500:Student Financial Aid Expense -Scholarships	1,000.00	665,057.00	666,057.00	337,550.00	501,078.00
7500:Student Financial Aid Expense	1,000.00	795,149.91	796,149.91	490,686.94	682,623.58
Gifts In Kind- Expense	0	233,801.24	233,801.24	232,429.86	708,760.20
4700:Non-cash Gift-in-Kind	0	233,801.24	233,801.24	232,429.86	708,760.20
Total Expenditures	293,675.13	1,424,054.45	1,717,729.58	1,955,646.06	3,694,603.82
Net Fund Balance, Beginning of Year	2,437,128.73	20,800,953.40	23,238,082.13	21,243,637.95	21,243,637.95
Revenues Over (Under)			794,914.69	2,009,479.82	1,994,444.18
Expenditures	139,600.32	655,314.37			
Net Fund Balance, End of Period	2,576,729.05	21,456,267.77	24,032,996.82	23,253,117.77	23,238,082.13

7/1/2024 to 3/31/2025

Sum of Net Amount Row Labels	Column Labels		
	2002_DG MCCF Management & Admin	2003_DG MCCF Programming	Grand Total
2800:Salary Expense	184,285.32	44,417.24	228,702.56
4500:Supplies	1,819.58	48,150.27	49,969.85
4700:Non-cash Gift-in-Kind		233,801.24	233,801.24
5100:Other Services	12,184.89	5,346.36	17,531.25
5200:Travel, Conferences, Training	8,990.45	161,941.66	170,932.11
5300:Dues and Memberships	3,490.00	5,855.00	9,345.00
5600:Contract Services	2,500.00	50,465.87	52,965.87
5800:Advertising and Postage	51,679.22	29,696.59	81,375.81
7500:Student Financial Aid Expense		796,149.91	796,149.91
7600:Other Student Aid		76,955.98	76,955.98
Grand Total	264,949.46	1,452,780.12	1,717,729.58

Expenses by program_2003_DG
7/1/2024 to 3/31/2025

Ledger Account	(Multiple Items)
Sum of Net Amount	Column Labels
Row Labels	2003_DG MCCF Programming
9921_PG Events - Alumni	4,240.59
9922_PG Events - Campus Programs	73,023.07
9923_PG Direct Student Support	1,139,901.40
9924_PG Campus Programs Support	162,440.57
9926_PG Community Sponsorships -Campus Requested	25,757.25
9928_PG Campus Programs Staffing	47,417.24
Grand Total	1,452,780.12

	Actual FY23/24	Goals FY24/25	YTD as of 9/30/24	YTD as of 12/31/24	LY to Q3	YTD as of 3/31/25	YTD as of 6/30/25 (FY End)	Percentage above/below annual goal
Students Supported								
Number of Students Supported (unduplicated)*	720	Not Projected	160	700	n/a	902		n/a
Scholarships	624	Not Projected	67	545	366	663		n/a
Direct Student Aid Cash	358	Not Projected	93	186	261	293		n/a
Direct Student Aid- Non Cash (Gift Cards and Campus Fees)	Not Tracked Yet	Not Tracked Yet	Not Tracked Yet	Not Tracked Yet	n/a	Not Tracked Yet		n/a
<i>*Please see financial statements for the dollar amount.</i>								
Fundraising Plan Priorities**	\$1,722,362	\$1,405,000	\$327,348	\$1,026,903	\$1,399,850	\$1,322,781		94%
College Affordability (Financial Support for Students): \$750,000 to \$1,500,000	\$279,230	\$750,000	\$141,431	\$286,395	\$161,491	\$375,116		50%
Resilience Funds	\$43,694	\$500,000	\$66,444	\$98,993	\$23,870	\$101,277		20%
Scholarships	\$235,536	\$250,000	\$74,987	\$187,402	\$137,621	\$273,839		110%
Endowed Funds for Long-Term Sustainability: \$130,000	\$225,122	\$130,000	\$4,616	\$39,666	\$221,897	\$56,951		44%
Program and Campus Needs: \$250,000 – \$500,000	\$1,117,997	\$350,000	\$152,984	\$609,744	\$933,124	\$720,758		206%
Unrestricted Funds: \$150,000 to \$200,000	\$100,013	\$175,000	\$28,317	\$91,099	\$83,338	\$109,956		63%
Annual Fund: \$100,000	\$57,074	\$100,000	\$16,392	\$64,282	\$52,411	\$70,502		71%
President's Circle: \$25,000 - \$50,000	\$19,439	\$25,000	\$1,150	\$6,542	\$12,927	\$9,179		37%
Event Sponsorships: \$25,000 - \$50,000	\$23,500	\$40,000	\$10,775	\$20,275	\$18,000	\$30,275		76%
Estate Giving: In plan, budgeted at \$0	\$0	\$0	\$0	\$0	\$0	\$60,000		n/a
<i>** Cash only; Gift in Kind not included</i>								
Fundraising Plan Statistics								
Major Gifts***								
Number of Individual Major Gift Donors \$10k+	10	20	3	10	9	11		55%
Total Raised from Individual Major Gifts \$10k+	\$465,020	\$200,000	\$52,000	\$273,500	\$450,020	\$305,500		153%
Planned Giving								
Number of New Heritage Society Members	2	5	1	2	2	2		40%
Number of Total Heritage Society Members	44	49	44	44	44	42		86%
Number of Estate Gifts Received	0	1	0	0	0	1		n/a
Annual Donors								
Number of Members in President's Circle by Fiscal Year	54	59	10	17	43	39		66%
Number of Annual Fund Donors by Fiscal Year	69	80	22	58	64	67		84%
Payroll Giving								
Number of Payroll Donors	134	150	131	129	134	126		84%
Total Raised in Payroll Donations	\$72,388	\$78,000	\$15,929	\$33,058	\$61,107	\$49,578		64%
Grants (including federal government)								
Number of Grant Donors	26	29	7	17	18	19		66%
Total Raised from Grants Received	\$922,032	\$420,000	\$127,200	\$427,418	\$803,107	\$498,510		119%

FY 2025/26 - FOUNDATION BOARD BUDGET - For Approval

ANNUAL OPERATING BUDGET					
Foundation Unrestricted Operations Revenue	FY 2023/24 - Actual	FY 2024/25 - Budget	FY 2024/25 - Projected	FY 2025/26 - Budget	FY 2025/26 Notes
Endowment Fees (1.5)	\$209,399	\$260,000	\$207,251	\$207,000	
Interest	\$33,459		\$16,000	\$16,000	
Administration Fees (4%)	\$28,222		\$33,627	\$35,000	
Initial Grant Fees (4% if allowable expense)	\$0		\$5,000	\$10,000	
Initial Endowment Fees (3%)	\$7,500		\$2,000	\$5,000	
Donor Management Sys - (Charitable; Online)	\$4,264	\$0	\$7,000	\$10,000	
Foundation Directed Endowment Distributions	\$95,335	\$94,000	\$93,167	\$93,000	
Trusts and Planned Gifts Fee (5%)	\$0	\$0	\$3,000	\$0	Zero budgeting policy
Follett Unrestricted	\$100,000	\$0	\$0	\$0	Gift complete at \$500k
Unrestricted Event Revenue (Charitable)	\$21,000	\$25,000	\$30,275	\$40,000	Doesn't incl restr sponsorships
Subtotal - Operations Revenue	\$499,180	\$379,000	\$397,319	\$416,000	
<i>% incr/Decr over prev year budget (Op only)</i>		-24%		10%	
Foundation Existing Funds to Utilize	FY 2023/24 - Actual	FY 2024/25 - Budget	FY 2024/25 - Projected	FY 2025/26 - Budget	FY 2025/26 Notes
Operations Cushion	\$0	\$15,757	\$9,312	\$0	
Allocation Funds	\$0	\$0	\$0	\$14,000	
Other Unrestricted Gift Funds	\$0	\$0	\$0	\$38,000	Follett (raised for operating)
Subtotal - Existing Funds to Utilize	\$0	\$15,757	\$9,312	\$52,000	
Total Revenue & Existing Funds to Utilize	\$499,180	\$394,757	\$406,631	\$468,000	
Foundation Operations & Program Allocation Expenses	FY 2023/24 - Actual	FY 2024/25 - Budget	FY 2024/25 - Projected	FY 2025/26 - Budget	FY 2025/26 Notes
Foundation Staffing	\$226,786	\$249,957	\$245,714	\$287,000	Incr from 1.8 FTE to 2 FTE
Management	\$22,855	\$26,000	\$11,420	\$13,000	
Donor Management Systems	\$56,435	\$3,000	\$13,434	\$15,000	
Foundation Board	\$3,500	\$4,100	\$1,641	\$6,000	Board Prof Dev AGB/other
Donor Cultivation & Stewardship	\$7,980	\$4,700	\$3,341	\$4,000	
Campus Program Support	\$25,400	\$0	\$0	\$0	
Community Sponsorships - Fdn Requested		\$15,000	\$15,000	\$15,000	
Marketing & Communications - Foundation	\$10,610	\$12,000	\$34,631	\$15,000	
Events - Foundation Cultivation & Stewardship	\$13,465	\$10,000	\$6,918	\$11,000	
Events - Campus & Programs	\$20,273	\$15,000	\$19,533	\$27,000	CLB and Scholarship Event
Subtotal Operations	\$387,304	\$339,757	\$351,632	\$393,000	
<i>% incr/Decr over prev year budget (Op only)</i>		-12%		16%	
Foundation Board Grants	\$0	\$40,000	\$40,000	\$50,000	Add'l grants or higher amounts
Executive Director's Fund	\$12,000	\$10,000	\$10,000	\$10,000	
Alumni	\$10,000	\$5,000	\$5,000	\$15,000	Towards 3-year growth plan
Subtotal Program Allocations	\$22,000	\$55,000	\$55,000	\$75,000	
Total Expenses - Op & Alloc Fdn Supported	\$409,304	\$394,757	\$406,632	\$468,000	
<i>% incr/Decr over prev year budget</i>		-4%		19%	

NET	\$89,876	\$0	\$0	\$0	
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RESERVE : OPERATING RATIO					
RESERVE FUNDS	Actual at 6/30/24		Projected at 6/30/25	Projected at 6/30/26	# Years Operating in Reserve 6/30/26
Total Unrestricted Fund Balances	\$1,783,493		\$1,738,276	\$1,586,276	3.4
FOUNDATION OPERATIONS BUDGET	Actual at 6/30/24		Projected at 6/30/25	FY 2025/26 - Budget	
Operations Revenue	\$499,180		\$397,319	\$416,000	
Savings - Funds Utilized	\$0		\$9,312	\$52,000	
Operations & Program Allocations Expenses	\$409,304		\$406,632	\$468,000	
Net	\$89,876		\$0	\$0	

Financial Statements
June 30, 2024

MiraCosta College Foundation
(A California Nonprofit Corporation)

MiraCosta College Foundation

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June 30, 2024

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Independent Auditor's Report

The Board of Directors
MiraCosta College Foundation
Oceanside, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MiraCosta College Foundation (the Foundation), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of MiraCosta College Foundation as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

Rancho Cucamonga, California
_____, 2025

MiraCosta College Foundation
Statement of Financial Position
June 30, 2024

Assets	
Current assets	
Cash and cash equivalents	\$ 775,012
Investments	20,732,513
Investments related to deferred gifts	787,725
Accounts receivable	8,435
Promises to give, net	25,444
Donated artwork held for sale	68,501
	<u>22,397,630</u>
Total current assets	
Noncurrent assets	
Beneficial interest in assets held by the Foundation for California Community Colleges	848,155
Cash surrender value of life insurance	29,664
Promises to give, net	68,084
	<u>945,903</u>
Total noncurrent assets	
Total assets	<u>\$ 23,343,533</u>
Liabilities and Net Assets	
Current liabilities	
Accounts payable	\$ 24,026
Due to MiraCosta Community College District	81,424
	<u>105,450</u>
Total liabilities	
Net assets	
Without donor restrictions	
Undesignated	1,796,966
Board designated	640,164
	<u>2,437,130</u>
Total without donor restrictions	
With donor restrictions	<u>20,800,953</u>
Total net assets	<u>23,238,083</u>
Total liabilities and net assets	<u>\$ 23,343,533</u>

MiraCosta College Foundation
Statement of Activities
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenues			
Contributions, gifts, and grants	\$ 88,087	\$ 1,943,906	\$ 2,031,993
Contributions - gift in kind	181,419	812,745	994,164
Net assets released from restrictions - management fees	205,050	(205,050)	-
Net assets released from restrictions	2,731,760	(2,731,760)	-
Total public support and revenues	<u>3,206,316</u>	<u>(180,159)</u>	<u>3,026,157</u>
Expenses			
Program	3,150,913	-	3,150,913
Management and general	502,021	-	502,021
Total expenses	<u>3,652,934</u>	<u>-</u>	<u>3,652,934</u>
Other Income			
Investment income, net of expenses	168,151	2,333,157	2,501,308
Change in value of deferred gifts	-	28,777	28,777
Change in cash surrender value of life insurance	-	385	385
Change in value of beneficial interest in assets held by Foundation for California Community Colleges	-	90,751	90,751
Total other income	<u>168,151</u>	<u>2,453,070</u>	<u>2,621,221</u>
Change in Net Assets	(278,467)	2,272,911	1,994,444
Net Assets, Beginning of Year	<u>2,715,597</u>	<u>18,528,042</u>	<u>21,243,639</u>
Net Assets, End of Year	<u>\$ 2,437,130</u>	<u>\$ 20,800,953</u>	<u>\$ 23,238,083</u>

MiraCosta College Foundation
Statement of Functional Expenses
Year Ended June 30, 2024

	Program	Management and General	Total
Foundation staff salaries and benefits	\$ 50,596	\$ 205,261	\$ 255,857
Donated salaries and benefits	466,518	177,184	643,702
Donated facility use	14,177	4,235	18,412
Contributions to District	358,298	-	358,298
Gift in kind	332,050	-	332,050
Supplies	135,947	2,700	138,647
Other services	559,527	14,466	573,993
Travel, conferences, training	184,774	10,483	195,257
Dues and membership	4,365	140	4,505
Contract services	166,374	46,143	212,517
Audit	-	13,000	13,000
Advertising & postage	31,963	28,409	60,372
Direct student aid	163,700	-	163,700
Scholarships and Financial Aid	682,624	-	682,624
	<u>\$ 3,150,913</u>	<u>\$ 502,021</u>	<u>\$ 3,652,934</u>
Total			

MiraCosta College Foundation
Statement of Cash Flows
Year Ended June 30, 2024

Operating Activities	
Change in net assets	\$ 1,994,444
Adjustments to reconcile change in net assets to net cash flows from operating activities	
Contributions restricted for long-term purposes	(396,393)
Realized gain on sale of investments	(387,566)
Unrealized gain on investments	(2,080,282)
Distribution from beneficial interest in assets held by the Foundation for California Community Colleges	39,150
Change in value of beneficial interest in assets held by the Foundation for California Community Colleges	(90,751)
Change in value of deferred gifts	(28,777)
Cash surrender value of life insurance	(385)
Change in assets and liabilities	
Prepaid and other assets	44
Accounts receivable	9,301
Promises to give	253,010
Donated artwork held for sale	358,298
Accounts payable	(14,344)
Due to Miracosta Community College District	42,264
	<hr/>
Net Cash Flows From Operating Activities	(301,987)
	<hr/>
Investing Activities	
Proceeds from sale of investments	751,225
Purchase of investments	(1,239,210)
	<hr/>
Net Cash Flows From Investing Activities	(487,985)
	<hr/>
Financing Activities	
Collections of contributions restricted for long-term purposes	396,393
	<hr/>
Change in Cash and Cash Equivalents	(393,579)
Cash and Cash Equivalents, Beginning of Year	1,168,591
	<hr/>
Cash and Cash Equivalents, End of Year	<u>\$ 775,012</u>

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

The MiraCosta College Foundation (the Foundation) is a non-profit public benefit corporation organized under the Non-profit Public Benefit Corporation Law of the State of California. The Foundation was incorporated on April 26, 1967, as an independent foundation established under the laws of the State of California. The purpose of the Foundation is to promote the benefits of the MiraCosta College (the College) and to assist in securing, managing and distributing resources for students in the community. The members of the Foundation's Board of Directors are composed of members from the local community. Advisors to the Board include the College President, College management staff, a member of the Board of Trustees, Senate Presidents and Associated Student Body President.

Financial Statement Presentation

The accompanying financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-210-50. Under ASC 958-210-50, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. In addition, the Foundation is required to present a statement of cash flows. The Foundation does not use fund accounting.

The Foundation and the District are financially interrelated organizations as defined by *Transfers of Assets to a Nonprofit or Charitable Trust that Holds Contributions for Others*, issued by the Financial Accounting Standards Board (FASB). The Foundation reflects contributions received for the benefit of the District as revenue in its financial statements. The expenses related to these contributions are accounted for under program and supporting services.

Net Asset Accounting

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

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets without donor restrictions represents all resources over which the governing board has discretionary control for use towards scholarships. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment, as described in Note 12.

MiraCosta College Foundation

Notes to Financial Statements

June 30, 2024

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) restrictions. Some donor (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Foundation reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, 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 statement of activities as net assets released from restrictions. The Foundation reports conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period.

Revenue Recognition

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. In the year ended June 30, 2024, the Foundation did not receive any conditional promises to give. Contributions of assets other than cash are recorded at their estimated fair value at the time of the gift.

Contributions are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are released from restrictions. When a donor's restriction is met within the same year as the donation, the donation is reported as net assets without donor restrictions.

Donated Assets, Services and In-Kind Contributions

Contributed nonfinancial assets include donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note 13). In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Donated salaries, benefits and facilities received from the District per the terms of the Master Agreement, are recorded as contributions at the estimated fair value that the Foundation would have otherwise paid for the same service. The value of those contributed items is recognized as both revenue and expense to the Foundation. The Foundation does not sell donated in-kind gifts.

Cash, Cash Equivalents, and Restricted Cash

All cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents. Cash and endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

MiraCosta College Foundation

Notes to Financial Statements

June 30, 2024

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment gain/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Foundation to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As of June 30, 2024, the Foundation had approximately \$520,000 in excess of FDIC insurance limits. To date, no losses have been experienced in any of these accounts.

Investments are made by diversified investment managers whose performance is monitored by the Foundation and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Foundation and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

Investments with brokers are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000 of which \$250,000 may be cash. Insurance protects assets in the case of broker-dealer insolvency and not against declines in market valuation. The Foundation maintains investment balances at financial institutions in excess of Securities Investor Protection Corporation (SIPC) limits.

As of June 30, 2024, the Foundation had approximately \$20,232,000 in excess of SIPC insurance limits. Concentration risk is managed by placing deposit and investment balances with financial institutions believed by the Foundation to be creditworthy. Management believes credit risk is limited.

Accounts Payable and Current Liabilities

Accounts payable balance consists of expenditures incurred prior to fiscal year end, but not yet paid. Due to MiraCosta Community College District (the District) balance consists of payroll processed by the District on behalf of the Foundation and other miscellaneous expenditures owed to the District.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principle requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

MiraCosta College Foundation

Notes to Financial Statements

June 30, 2024

Promises to Give

The Foundation records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. Allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2024, management believes all amounts are collectable.

Beneficial Interest in Assets held by Community Foundation

During 2008, the Foundation established an endowment fund that is perpetual in nature (the Fund) under a community foundation's (the CF) Osher Endowment Scholarship program and named the Foundation as a beneficiary. Variance power was granted to the CF which allows the CF to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of the CF's Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The Fund is held and invested by the CF for the Foundation's benefit and is reported at fair value in the statement of financial position, with distributions and changes in fair value recognized in the statement of activities.

Income Taxes

The Foundation is a nonprofit public benefit corporation that is exempt from income taxes under Section 501(c)(3) of the *Internal Revenue Code* and classified by the Internal Revenue Service as other than a private foundation and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). It is also exempt from State franchise and income taxes under Section 23701(d) of the *California Revenue and Taxation Code*.

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

Advertising Costs

Advertising costs are expensed as incurred and were \$60,372 for the year ended June 30, 2024.

Allocation of Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include Foundation staff salaries and benefits, donated salaries and benefits, which are allocated on the basis of estimates of time and effort; and donated facility use, which is allocated based on occupancy.

Management Fee

Endowments received by the Foundation are subject to a 1.5% endowment management fee. The fee is assessed annually at 1.5% of the endowment fund balance before distribution. In addition, the Foundation assesses a 5% gift fee on all planned gifts, at the time of receipt. Revenues received from management fees are used by the Foundation to cultivate and solicit new gifts, as well as pay for administrative overhead related to processing gifts and endowments.

Adoption of New Accounting Standard

As of July 1, 2023, the Foundation adopted Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13), which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The CECL model is applicable to the measurement of credit losses on financial assets measured at amortized cost, including trade and loan receivables, and held to maturity debt securities. CECL requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The update also requires that credit losses on available-for-sale debt securities be presented as an allowance rather than a write-down of the security. This standard provides financial statement users with more decision useful information about the expected losses on financial instruments. The impact of the adoption was not considered material to the financial statements.

MiraCosta College Foundation
Notes to Financial Statements
June 30, 2024

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$	775,012
Board reserves		50,000
Accounts receivable		8,435
		833,447
	\$	833,447

Liquidity Management

To manage liquidity, the Foundation structures its financial assets to be available as its general expenditures, liabilities and other obligations become due. To ensure the stability of its mission, programs, employment, and ongoing operations, the Foundation maintains Board-Designated Operating Reserves. Quarterly, the Vice President, Institutional Advancement and the Finance Committee chair will determine if funds need to be transferred from the Operations Reserve Account (Vanguard) into local operating accounts to meet upcoming cash needs. The assets apportioned to the Reserve Account (Portfolio) are to be invested with the objective of security of principal and short-term liquidity.

Note 3 - Promises to Give

The Foundation's unconditional promises to give consisted of the following at June 30, 2024:

Unconditional promises to give before unamortized discount	\$	99,694
Less discount to net present value		(6,166)
		93,528
Net Unconditional Promises to Give	\$	93,528

Unconditional promises to give can be classified as without, or with donor restriction. Management has determined that all amounts are deemed collectible at June 30, 2024.

MiraCosta College Foundation
Notes to Financial Statements
June 30, 2024

The Foundation has been promised unconditional promises to give, which were classified as follows at June 30, 2024:

	<u>Annual Fund</u>	<u>Karetas Family</u>	<u>Hatoff Endowment</u>	<u>Total</u>
Amounts due in				
Due within one year	\$ 20,750	\$ 4,694	\$ -	\$ 25,444
Due within one to five years	<u>3,750</u>	<u>-</u>	<u>70,500</u>	<u>74,250</u>
	24,500	4,694	70,500	99,694
Less discount to net present value	<u>(163)</u>	<u>-</u>	<u>(6,003)</u>	<u>(6,166)</u>
Total	<u>\$ 24,337</u>	<u>\$ 4,694</u>	<u>\$ 64,497</u>	<u>\$ 93,528</u>

The discount rate used was 4.55% for the year ended June 30, 2024.

Note 4 - Donated Artwork Held For Sale

During the year ended June 30, 2021, the Foundation received various works of art, which based on donor stipulations can be sold for the benefit of the Foundation's mission. The works of art were valued using independent appraisals. During the year ended June 30, 2024, the Foundation donated artwork in the amount of \$358,298 to the District, in accordance with the donor's original intention. As of June 30, 2024, the balance of artwork held for sale was \$68,501.

Note 5 - Investments

Investments are stated at fair value in the financial statements and are composed of the following at June 30, 2024:

Investments	
Investments	\$ 20,732,513
Deferred gifts	787,725
Beneficial interest in assets held by the Foundation for California Community Colleges	<u>848,155</u>
Total investments	<u>\$ 22,368,393</u>

MiraCosta College Foundation
Notes to Financial Statements
June 30, 2024

The investment return consists of the following at June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 79,117	\$ -	\$ 79,117
Realized gain on sale of investments	15,364	372,202	387,566
Unrealized gain on investments	119,327	1,960,955	2,080,282
Total investment income	213,808	2,333,157	2,546,965
Investment fees	(45,657)	-	(45,657)
Total investment income, net of expenses	\$ 168,151	\$ 2,333,157	\$ 2,501,308

Note 6 - Fair Value Measurement and Disclosures

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 - Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

A significant portion of investment assets are classified within Level 1 because they comprise equities and fixed income assets with readily determinable fair values based on daily redemption values.

MiraCosta College Foundation

Notes to Financial Statements

June 30, 2024

The fair values of the deferred gifts are determined using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the underlying assets and are based on the fair values of trust investments as reported by the trustees. The fair value of the beneficial interest in assets held by the Foundation for California Community Colleges is based on the fair value of fund investments as reported by the Foundation. These are considered to be level 3 measurements.

Assets and Liabilities Recorded at Fair Value on a Recurring Basis

The following table presents the balances of the assets measured at fair value on a recurring basis as of June 30, 2024. The Foundation did not have any liabilities measured at fair value on a recurring basis as of June 30, 2024. The Foundation has no assets or liabilities recorded at fair value on a non-recurring basis as of June 30, 2024.

	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
Assets			
Equity	\$ 13,867,552	\$ -	\$ 13,867,552
Fixed income	6,864,961	-	6,864,961
Deferred gifts	-	787,725	787,725
Beneficial interest in assets held by the Foundation for California Community Colleges	-	848,155	848,155
	<u>\$ 20,732,513</u>	<u>\$ 1,635,880</u>	<u>\$ 22,368,393</u>

Note 7 - Deferred Gifts

The Foundation is the beneficiary of various charitable remainder trusts, administered by the Community College League of California and one individual trustor, which provide for the payment of distributions to the grantor or other designated beneficiary over the trust's term (generally the designated beneficiary's lifetime). At the end of the trust's term, the remaining assets are available to the Foundation. The Foundation recognizes the fair value of its interest in the trust at the time the trust is established as a contribution. Fair value is based on the present value of the estimated future benefits to be received using discount rates ranging from 4.2% to 5.8%.

Assets held in the charitable remainder trusts totaled \$787,725 at June 30, 2024, and are reported at fair value or cost, depending on the nature of the assets in the statement of financial position. The Foundation revalues its liability to make distributions to the other designated beneficiaries annually based on mortality tables and other applicable factors. The revision of this liability together with the amortization of the discount associated with the contribution is reported as changes in the value of deferred gifts in the statement of activities.

MiraCosta College Foundation

Notes to Financial Statements

June 30, 2024

Note 8 - Beneficial Interest in Assets Held by the Foundation for California Community Colleges - Osher Endowment Scholarship

The Foundation for California Community Colleges (FCCC) has created a permanent endowment fund intended to provide scholarship support to California Community College students in perpetuity. The fund began in May 2008 with a \$25 million lead gift from The Bernard Osher Foundation. The Bernard Osher Foundation will provide scholarship matching funds annually to colleges that participate. In order to take advantage of this opportunity, the District and its donors have contributed \$682,313. As of June 30, 2024, the ending balance of the Osher Endowment Scholarship was \$848,155. The Foundation receives no additional interest or dividends on the balance held at the FCCC and does not participate in the investment management of the funds. All donations to the FCCC Osher Endowment Scholarship must remain in the fund permanently and cannot be returned or used for other purposes.

Note 9 - Donor Designated Endowments

The Foundation's endowment (the Endowment) consists of approximately 120 individual funds established by donors to provide annual funding for specific activities and general operations. The Endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (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 Foundation retains in perpetuity (a) the original value of gifts donated to permanent endowment, (b) plus the original value of subsequent gifts to the endowments, (c) plus accumulation 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 funds that is not held in perpetuity is classified as net assets with donor restrictions and may be appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, 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 various funds, (2) the purposes of the donor-restricted endowment funds, (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, and (7) the Foundation's investment policies.

Investment Return Objectives, Risk Parameters, and Strategies

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds by preserving the long-term, real purchasing power of assets while providing a relatively predictable and growing stream of annual distributions in support of the institution. Endowment assets are invested in a well-diversified mix including equity and fixed-income securities, intended to provide an inflation-protected rate of return satisfying the distribution requirements while protecting the corpus. Investment risk is measured in terms of the total endowment fund, not individual endowments.

MiraCosta College Foundation
Notes to Financial Statements
June 30, 2024

Spending Policy

The Foundation's Board approved spending policy was created to protect the values of the endowments. An endowment spending rate of no more than 5.0% is based on a three-year moving average of current market values as of June 30, 2024. This rate is reviewed on an annual basis.

Endowment net asset composition by type of fund as of June 30, 2024, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Funds
Donor-restricted endowment funds	\$ -	\$ 14,835,567	\$ 14,835,567
Board-designated endowment funds	590,164	-	590,164
Total	\$ 590,164	\$ 14,835,567	\$ 15,425,731

Changes in endowment net assets as of June 30, 2024, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Funds
Balance at June 30, 2023	\$ 540,545	\$ 12,856,191	\$ 13,396,736
Contributions	-	396,393	396,393
Change in value of investments	78,056	2,148,793	2,226,849
Amounts appropriated for expenditures	(28,437)	(565,810)	(594,247)
Balance at June 30, 2024	\$ 590,164	\$ 14,835,567	\$ 15,425,731

Note 10 - Restrictions of Net Asset Balances

Donor-restricted net assets consist of the following at June 30, 2024:

Subject to the Passage of Time or Expenditure for Specified Purpose	
Deferred gifts and cash surrender value of life insurance	\$ 817,389
Campus Activity - endowment	1,200,224
Campus Activity - other	2,665,442
Department Scholarships	88,910
Foundation Directed Funds - endowment	887,229
Foundation Directed Funds - other	565,136
Scholarships - endowment	1,782,247
Scholarships - other	1,146,196
	<u>9,152,773</u>

MiraCosta College Foundation
Notes to Financial Statements
June 30, 2024

Perpetual in Nature	
Campus Endowments	\$ 5,062,917
Beneficial interest in assets held by the Foundation for California Community Colleges	682,313
Foundation Directed Endowments	1,481,650
Scholarship Endowments	<u>4,421,300</u>
	<u>11,648,180</u>
Total donor-restricted net assets	<u><u>\$ 20,800,953</u></u>

Note 11 - Net Assets Released from Restrictions

The sources of net assets released from donor restrictions by incurring expenses satisfying the restricted purposes were as listed below at June 30, 2024:

Direct student support	\$ 858,954
Campus support and programs	1,040,948
Other program services	19,113
Donated salaries and facility use	480,695
Gift in Kind	<u>332,050</u>
Total	<u><u>\$ 2,731,760</u></u>

Note 12 - Board Designated Net Assets

Net assets without donor restrictions that have been Board designated consist of the following at June 30, 2024:

Board-designated endowment funds	\$ 590,164
General Reserves	<u>50,000</u>
Total	<u><u>\$ 640,164</u></u>

Note 13 - In Kind Contributions

The Foundation was given program and service support from the District. For the year ended June 30, 2024, the following contributed nonfinancial assets received from the District were recognized in the statement of activities:

Donated services	\$ 643,702
Donated facilities	<u>18,412</u>
Total	<u><u>\$ 662,114</u></u>

MiraCosta College Foundation

Notes to Financial Statements

June 30, 2024

Donated services include the value of Foundation's salaries and benefits paid for by the District as part of its agreement with the Foundation. Donated services are based on the fair value of comparable services provided by third parties. During the year, office space is provided by the District on behalf of the Foundation. Donated facilities are recorded at the estimated fair market value of the facilities for the year.

Additionally, the Foundation receives donations of non-cash items, such as equipment, from various community members, businesses and foundations. The equipment is integral to the training and education programs provided by the District. Equipment and other nonfinancial assets donated to the Foundation is passed through directly to the District for use in the educational programs. Contributed goods are recorded at fair value at the date of donation. For the year ended June 30, 2024, the contributed nonfinancial assets received from donors were recognized in the statement of activities in the amount of \$994,164.

Note 14 - Transactions with Related Entities

There are certain administrative costs of the Foundation that are paid by the District in accordance with a Memorandum of Understanding between the District and the Foundation. The District believes that so long as the Foundation continues to adequately perform funds management and fundraising assistance to the District, the District's best interests are served by continuing to support the Foundation's operations by providing personnel, certain facilities, and administrative services including the services of the District's Vice President, Institutional Advancement.

For the year ended June 30, 2024, the Foundation received \$643,702 in donated salaries and benefits and \$18,412 in donated facilities from the District in alignment with the Memorandum of Understanding. In addition, for the year ended June 30, 2024, the Foundation contributed \$358,298 of artwork held for sale to the District in accordance with the donor's original intent for the art collection.

Note 15 - Subsequent Events

The Foundation's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from June 30, 2024 through _____, 2025, which is the date the financial statements were available to be issued.



Meeting and Event Calendar: July 1, 2025 to June 30, 2026

Quarterly Board Meetings

(Location Varies – See Calendar Invite)

3:00 – 5:00 p.m. Tuesday, August 26, 2025

3:00 – 5:00 p.m. Tuesday, November 18, 2025

3:00 – 5:00 p.m. Tuesday, February 24, 2026

3:00 – 6:00 p.m. Tuesday, June 2, 2026

Finance Committee Meetings

(3333 Manchester Blvd, Encinitas, CA 92007)

2:00 – 3:30 p.m. Tuesday, August 12, 2025

2:00 – 3:30 p.m. Tuesday, November 4, 2025

2:00 – 3:30 p.m. Tuesday, February 10, 2026

2:00 – 3:30 p.m. Tuesday, May 19, 2026

Audit Committee Meetings

(3333 Manchester Blvd, Encinitas, CA 92007)

1:00 – 1:30 p.m. Tuesday, May 18, 2026

Ad hoc Grants & Scholarships Committee Meetings

(1 Barnard Dr., Oceanside, CA 92056 or Zoom)

2:00 – 3:00 p.m. Tuesday, July 29, 2025

2:00 – 3:00 p.m. Tuesday, October 21, 2025

2:00 – 3:00 p.m. Tuesday, January 20, 2026

2:00 – 3:00 p.m. Tuesday, May 5, 2026

Ad hoc Resource Development Committee Meetings

(Zoom)

2:00 – 2:45 p.m. Monday, August 11, 2025

2:00 – 2:45 p.m. Monday, December 1, 2025

2:00 – 2:45 p.m. Monday, April 6, 2026

Community Leaders Breakfast

(5480 Grand Pacific Dr, Carlsbad, CA 92008)

October 17, 2025 @ 7:00 – 9:00 a.m

Governance and Nominations Meetings

(3333 Manchester Blvd, Encinitas, CA 92007)

2:00 – 3:00 p.m. Tuesday, August 5, 2025

2:00 – 3:00 p.m. Tuesday, October 28, 2025

2:00 – 3:00 p.m. Tuesday, February 3, 2026

2:00 – 3:00 p.m. Tuesday, May 12, 2026

Executive Committee Meetings

(3333 Manchester Blvd, Encinitas, CA 92007)

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2024-25 MiraCosta College End of Year Celebrations

<p>Spring Celebration of Excellence Date & Time: Friday, April 18, 3 PM Location: OC Dining Hall</p>	<p>Student Leaders Banquet Date & Time: Thursday, April 24, 5 - 8 PM Location: OC Dining Hall</p>	<p>EOPS Student Recognition Ceremony Date & Time: Saturday, April 26, 10 AM - NOON Location: OC Dining Hall</p>
<p>MESA Year End Celebration Date & Time: Wednesday, April 30, 5 - 7 PM Location: OC Dining Hall</p>	<p>Medal of Academic Merit Date & Time: Thursday, May 1, 3PM Location: Aztlan</p>	<p>Monarch Celebration Date & Time: Thursday, May 1, 5 - 7 PM Location: OC Dining Hall</p>
<p>Veterans Services Graduation Date & Time: Friday, May 2, 5 - 7 PM Location: OC Dining Hall</p>	<p>Mana Fa'au'luga Celebration Date & Time: Tuesday, May 6, 5 - 7 PM Location: OC 5300 Courtyard</p>	<p>Puente End of Year Celebration Date & Time: Wednesday, May 7, 5 - 7 PM Location: OCN Dining Hall</p>
<p>Lavender Celebration Date & Time: Thursday, May 8, 6 - 8 PM Location: OCN Dining Hall</p>	<p>SAS Celebration Date & Time: Friday, May 9, 3 - 5PM Location: OCN Dining Hall</p>	<p>Math Scholarship Awards Date & Time: Friday, May 9, 2 - 3 PM Location: OC3501</p>
<p>Celebración de Excelencia Date & Time: Friday, May 9, 5 - 9 PM Location: Concert Hall</p>	<p>Athletic Department Celebration of Excellence Date & Time: Tuesday, May 13, 4 -5:30 PM Location: OC 5300 Courtyard</p>	<p>Rites of Passage (Black Graduation) Date & Time: Wednesday, May 14, 5-7 PM Location: TBD</p>
<p>International Office Graduate Luncheon Date & Time: Friday, May 16, 12:30 - 1:30 PM Location: Oceanside Campus 14180</p>	<p>RAFFY Recognition Ceremony Date & Time: Friday, May 16, 1 - 3 PM Location: OC 5313</p>	<p>Transitions Scholars End of Year Celebration Date & Time: Friday, May 16, 6 - 8 PM Location: Student Dining Hall</p>
<p>Biomufacturing Graduation Date & Time: Wednesday, May 21, 5 - 6 PM Location: Theatre</p>	<p>RN Pinning Date & Time: Thursday, May 22, 4 - 5 PM Location: Theatre</p>	<p>Theater Department Spotlight Awards Date & Time: Monday, May 19, 5 - 7 PM Location: Theatre</p>
<p>Adult High School Graduation Date & Time: Thursday, May 22, 5:45 PM Location: CLC</p>	<p>Commencement Date & Time: Friday, May 23, 5 PM Location: Soccer Field</p>	<p>Alumnipalooza Date & Time: Saturday, June 7, 12 - 3 PM Location: Oceanside Campus Clocktower</p>



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