

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
(A Component Unit of the College of Southern Maryland)

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2020 AND 2019

**COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
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INDEPENDENT AUDITORS' REPORT

Board of Directors
College of Southern Maryland Foundation, Inc.
La Plata, Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of College of Southern Maryland Foundation, Inc. (the Foundation) which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2020 and 2019 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in the Summary of Significant Accounting Policies of the notes to the financial statements, management has adopted Accounting Standards Update (ASU) No. 2018-08, *Not-for-profit Entities (Topic 958): Clarifying Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of changes in net assets and investments are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

Baltimore, Maryland
September 15, 2020

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	2020	2019
ASSETS		
Cash and Cash Equivalents	\$ 1,593,562	\$ 1,262,734
Investments	9,130,076	9,394,152
Beneficial Interest in Charitable Trusts	2,650,252	2,714,178
Pledges Receivable, Net	257,910	296,043
Cash Surrender Value of Life Insurance	27,141	29,207
	\$ 13,658,941	\$ 13,696,314
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 7,630	\$ 14,136
NET ASSETS		
Without Donor Restrictions:		
Board-Designated	57,234	55,167
Undesignated	644,343	869,649
Total Without Donor Restrictions	701,577	924,816
With Donor Restrictions:		
Endowed Scholarship	7,244,202	7,135,949
Endowed Research Support	1,135,208	1,120,083
Total Endowed	8,379,410	8,256,032
Scholarship	1,839,473	1,985,732
Time-Restricted for Future Periods	2,360,174	2,391,180
Student Support	4,512	8,207
Academic Program Support	366,165	116,211
Total With Donor Restrictions	12,949,734	12,757,362
Total Net Assets	13,651,311	13,682,178
Total Liabilities and Net Assets	\$ 13,658,941	\$ 13,696,314

See accompanying Notes to Financial Statements.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions	\$ 198,589	\$ 802,237	\$ 1,000,826	\$ 199,257	\$ 706,645	\$ 905,902
Investment Income	(155,085)	335,972	180,887	31,747	308,680	340,427
Donated Services and Facilities	362,808	-	362,808	317,214	-	317,214
In-Kind Contributions	23,380	2,832	26,212	42,339	-	42,339
Change in Value of Beneficial Interest in Charitable Trusts	-	(63,926)	(63,926)	-	160,488	160,488
Adjustment for Uncollectible Pledges	-	-	-	(437)	(8,964)	(9,401)
Net Assets Reclassified by Donor	2,732	(2,732)	-	-	-	-
Net Assets Released from Restrictions:						
Satisfaction of Donor Restrictions	882,011	(882,011)	-	630,941	(630,941)	-
Total Support and Revenue	<u>1,314,435</u>	<u>192,372</u>	<u>1,506,807</u>	<u>1,221,061</u>	<u>535,908</u>	<u>1,756,969</u>
EXPENSES						
College Scholarship	764,164	-	764,164	563,218	-	563,218
Academic Program Support	188,767	-	188,767	100,448	-	100,448
Student Services	24,166	-	24,166	9,550	-	9,550
General and Administrative	57,580	-	57,580	65,916	-	65,916
Fund Raising and Direct	502,997	-	502,997	465,514	-	465,514
Total Expenses	<u>1,537,674</u>	<u>-</u>	<u>1,537,674</u>	<u>1,204,646</u>	<u>-</u>	<u>1,204,646</u>
CHANGE IN NET ASSETS	(223,239)	192,372	(30,867)	16,415	535,908	552,323
Net Assets - Beginning of Year	<u>924,816</u>	<u>12,757,362</u>	<u>13,682,178</u>	<u>908,401</u>	<u>12,221,454</u>	<u>13,129,855</u>
NET ASSETS - END OF YEAR	<u>\$ 701,577</u>	<u>\$ 12,949,734</u>	<u>\$ 13,651,311</u>	<u>\$ 924,816</u>	<u>\$ 12,757,362</u>	<u>\$ 13,682,178</u>

See accompanying Notes to Financial Statements.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2020 AND 2019

2020						
	College Scholarship	Academic Program and Research Support	Student Services	General and Administrative	Fundraising and Direct	Total
EXPENSES						
Scholarships and Student Aid	\$ 764,164	\$ 188,767	\$ 24,166	\$ -	\$ -	\$ 977,097
Salaries, Wages, and Benefits	-	-	-	-	320,219	320,219
Insurance, Interest, Licenses, and Fees	-	-	-	-	2,365	2,365
Conference and Meetings	-	-	-	-	116,615	116,615
Contracted services	-	-	-	-	23,543	23,543
Furniture and Equipment	-	-	-	57,580	18,000	75,580
Supplies and Materials	-	-	-	-	22,255	22,255
Total Expenses	\$ 764,164	\$ 188,767	\$ 24,166	\$ 57,580	\$ 502,997	\$ 1,537,674

2019						
	College Scholarship	Academic Program and Research Support	Student Services	General and Administrative	Fundraising and Direct	Total
EXPENSES						
Scholarships and Student Aid	\$ 550,739	95,960	\$ -	\$ -	\$ -	\$ 646,699
Salaries, Wages, and Benefits	-	-	-	2,900	276,249	279,149
Insurance, Interest, Licenses, and Fees	7,724	-	9,550	-	35,723	52,997
Conference and Meetings	4,755	4,488	-	-	119,463	128,706
Contracted services	-	-	-	63,016	8,273	71,289
Furniture and Equipment	-	-	-	-	20,000	20,000
Supplies and Materials	-	-	-	-	5,806	5,806
Total Expenses	\$ 563,218	\$ 100,448	\$ 9,550	\$ 65,916	\$ 465,514	\$ 1,204,646

See accompanying Notes to Financial Statements.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (30,867)	\$ 552,323
Adjustments to Reconcile Change in Net Assets to Net Cash Provided/(Used) by Operating Activities:		
Change in Fair Value of Investments	111,646	30,700
Realized Gain on Sale of Investments	126,602	(2,207)
Change in Value of Beneficial Interest in Charitable Trusts	63,926	(160,488)
Permanently Restricted Contributions	(335,972)	(308,680)
Effects of Changes in Operating Assets and Liabilities:		
Pledges Receivable	38,133	97,557
Cash Surrender Value of Life Insurance	2,066	(29,207)
Accounts Payable and Accrued Expenses	(6,506)	(22,563)
Net Cash Provided by Operating Activities	(30,972)	157,435
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(422,777)	(1,055,737)
Proceeds of Sales of Investments	448,605	448,605
Net Cash Used by Investing Activities	25,828	(607,132)
CASH FLOWS FROM FINANCING ACTIVITIES		
Permanently Restricted Contributions	335,972	308,680
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	330,828	(141,017)
Cash and Cash Equivalents - Beginning of Year	1,262,734	1,403,751
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,593,562	\$ 1,262,734
SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS		
Donated Goods and Services	\$ 389,020	\$ 359,553

See accompanying Notes to Financial Statements.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 ORGANIZATION

College of Southern Maryland Foundation, Inc. (the Foundation) operates exclusively for charitable and educational purposes, including but not limited to receiving contributions, investing and reinvesting any gifts or other donations, and awarding scholarships and grants for the benefit of the College of Southern Maryland (the College), its students or faculty.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Foundation are prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingencies at the date of the statement of financial position and revenue and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and short-term investments with maturities at the date of purchase of three months or less are classified as cash equivalents. Cash equivalents include U.S. Treasury securities and other short-term, highly liquid investments and are carried at cost plus accrued interest, which approximates fair value.

Investments

Investments are stated at fair value. Both realized and unrealized gains and losses in fair value are reflected in the statement of activities.

Beneficial Interest in Charitable Trusts

The Foundation has been named as an irrevocable beneficiary of several charitable trusts held and administered by independent trustees. These trusts were created independently by donors and are administered by outside agents designated by the donors. Therefore, the Foundation have neither possession nor control over the assets of the trusts. At the date the Foundation receive notice of a beneficial interest, a contribution with donor restrictions is recorded in the statements of activities, and a beneficial interest in charitable trusts held by others is recorded in the statements of financial position at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the expected distributions to be received under the agreement. Thereafter, beneficial interests in the trusts are reported at fair value in the statements of financial position, with changes in fair value recognized in the statements of activities.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable

Unconditional pledges to give represent promises from donors to contribute monies for the Foundation's programs and activities. Such pledges are recognized as support when the pledge is made. Unconditional pledges to give where payment is due in the next year are recognized at their net realizable amounts. Unconditional pledges to give where payment is due in subsequent years are recognized at the present value of their net realizable amounts, using a discount rate.

Allowance for Uncollectible Pledges

A provision for uncollectible pledges has been established by management for the years ended June 30, 2020 and 2019 based on historical experience, an assessment of economic conditions, and a review of subsequent collections annually. Any pledges deemed to be uncollectible are written off at the time of such determination. There was no allowance recorded as of June 30, 2020 and 2019.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor 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. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

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

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. 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 are not recognized until the conditions on which they depend have been substantially met.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to our 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 accounting principles generally accepted in the United States of America. The College has allowed the Foundation to utilize office space on its campus. The utilities, water, and the space provided at no cost to the Foundation are not deemed significant. There are no amounts for utilities, water and the space reflected in the financial statements. Contributed goods are recorded at fair value at the date of donation. The Foundation records donated professional services at the respective fair values of the services received.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Scholarships

Scholarships are expensed when approved by the board of directors.

Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on net assets or changes therein.

Recent Accounting Pronouncements

For the year ended June 30, 2020 the Foundation adopted the Financial Accounting Standards Board's (FASB's), Accounting Standards Update (ASU) 2018-08, *Not-for-profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* issued in June of 2018 and applicable for fiscal years beginning after December 15, 2018, the Foundation's fiscal year 2020, applied prospectively. This clarifying ASU distinguishes between contributions and exchange transactions and assists in determining which guidance to apply. Additionally, once a transaction is deemed to be a contribution, this ASU assists in determining whether a contribution is conditional or unconditional, and if unconditional, whether the transaction is donor-restricted for limited purpose or timing. This clarifying ASU also applies to contributions made by the Foundation. There is no significant impact on the Foundation's financial statements as a result of adoption of this standard.

NOTE 3 INCOME TAXES

The Foundation is exempt from income taxes, except for taxes on unrelated business income, under Section 501(c)(3) of the Internal Revenue Code and related state statutes. The Foundation did not have any unrelated business income for the years ended June 30, 2020 and 2019.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 3 INCOME TAXES (CONTINUED)

Accounting principles generally accepted in the United States of America require management of an organization to evaluate tax positions taken by the organization and recognize an income tax liability if the organization has taken a position that more likely than not would not be sustained upon examination by the IRS. Management has evaluated the tax positions taken by the Foundation and concluded that as of June 30, 2020 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

NOTE 4 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2020 and 2019, was comprised of the following:

Description of Financial Asset	2020		
	Gross Amount	Less: Amounts Unavailable for General Expenditures	Available to Meet Cash Needs Within One Year
Cash and Cash Equivalents	\$ 1,593,562	\$ 472,068	\$ 1,121,494
Investments	9,130,076	9,130,076	-
Beneficial Interest in Charitable Trusts	2,650,252	2,650,252	-
Pledges Receivable, Net	257,910	-	257,910
Cash Surrender Value of Life Insurance	27,141	-	27,141
	<u>\$ 13,658,941</u>	<u>\$ 12,252,396</u>	<u>\$ 1,406,545</u>
Description of Financial Asset	2019		
	Gross Amount	Less: Amounts Unavailable for General Expenditures	Available to Meet Cash Needs Within One Year
Cash and Cash Equivalents	\$ 1,262,734	\$ 427,582	\$ 835,152
Investments	9,394,152	9,394,152	-
Beneficial Interest in Charitable Trusts	2,714,178	2,714,178	-
Pledges Receivable, Net	296,043	281,043	15,000
Cash Surrender Value of Life Insurance	29,207	29,207	-
	<u>\$ 13,696,314</u>	<u>\$ 12,846,162</u>	<u>\$ 850,152</u>

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 4 LIQUIDITY AND AVAILABILITY (CONTINUED)

The board-designated endowment of \$57,234 is subject to an annual spending rate of 4.5% as described in the endowment footnote. Although management does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of our board's annual budget approval and appropriation), these amounts could be made available if necessary.

As part of the liquidity management plan, management invests cash in excess of daily requirements in short-term investments, CDs, and money market funds.

NOTE 5 INVESTMENTS

At June 30, 2020 and 2019, the Foundation's investments were in mutual funds summarized as follows:

Investment	2020		
	Cost	Fair Value	Unrealized Gain (Loss)
Equities	\$ 1,657,772	\$ 1,660,915	\$ 3,143
Exchange Traded Funds	3,405,377	3,220,833	(184,544)
Corporate Fixed Income Funds	194,160	197,734	3,574
Government Securities	343,364	356,037	12,673
Mutual Funds	3,188,802	3,042,356	(146,446)
Commingled Trust Funds	756,226	652,201	(104,025)
Total	<u>\$ 9,545,701</u>	<u>\$ 9,130,076</u>	<u>\$ (415,625)</u>

Investment	2019		
	Cost	Fair Value	Unrealized Gain
Mutual Funds:			
Equity Funds	\$ 5,892,541	\$ 6,631,291	\$ 738,750
Fixed Income Funds	2,720,267	2,762,861	42,594
Total	<u>\$ 8,612,808</u>	<u>\$ 9,394,152</u>	<u>\$ 781,344</u>

Investment income from these investments for the years ended June 30, 2020 and 2019 was as follows:

	2020	2019
Interest and Dividends	\$ 355,208	\$ 368,920
Realized Gain on Sale of Investments	(126,602)	2,207
Subtotal	228,606	371,127
Unrealized (Loss)/Gain on Investments	(111,646)	(30,700)
Total	<u>\$ 116,960</u>	<u>\$ 340,427</u>

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 6 FAIR VALUE

Accounting principles generally accepted in the United States of America define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, establish a fair value reporting hierarchy and define three broad levels of inputs (the assumptions that market participants would use in pricing the asset or liability) as noted below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liabilities.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Valuation is based on unobservable inputs for the asset or liability. Level 3 assets may include financial instruments whose value is determined using pricing models with internally developed assumptions, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period.

For the year ended June 30, 2020, there were no transfers in or out of Levels 1, 2, or 3.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 6 FAIR VALUE (CONTINUED)

Investments: The Foundation's investments in equities, exchange traded funds, fixed income and mutual funds are valued using quoted prices in active markets for identical assets at the measurement date. Based on the inputs identified these investments are considered Level 1. Government securities are valued based on prices provided by its investment managers and its custodian bank. Typical inputs used by these pricing sources include, but are not limited to, reported trades, benchmark yields, issuer spreads, bids, offers, and/or estimated cash flows and prepayment speeds. Based on the inputs identified these investments are considered Level 2. The Foundation holds two investments in commingled investment funds. The Foundation reports the fair value of its investment in these funds using the net asset value as reported by the investment managers.

Beneficial Interest in Charitable Trusts: The Foundation's interest in charitable trusts are valued using the present value of the estimated future cash receipts from the trust's assets. The Foundation used a risk free rate of return which was risk-adjusted to determine the discount rate of 5% for the years ended June 30, 2020 and 2019. Based on the inputs the beneficial interest in charitable trusts are considered Level 3.

Cash Surrender Value of Life Insurance: The cash surrender value of life insurance was determined by the underwriting insurance company's valuation models, which take into account the passage of time, mortality tables, interest rates, cash values for paid-up additions and dividend accumulations. The cash surrender value represents the guaranteed value that would be received upon surrender of these policies held at year end. These assets are included in Level 3 of the fair value hierarchy.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 6 FAIR VALUE (CONTINUED)

As of June 30, 2020 and 2019, assets measured at fair value on a recurring basis are summarized by level within the fair value hierarchy as follows:

2020	Level 1	Level 2	Level 3	Total Fair Value
Investments at Fair Value				
Equities	\$ 1,660,915	\$ -	\$ -	\$ 1,660,915
Exchange Traded Funds	3,220,833	-	-	3,220,833
Corporate Fixed Income Funds	197,734	-	-	197,734
Government Securities	-	356,037	-	356,037
Mutual Funds	3,042,356	-	-	3,042,356
	<u>8,121,838</u>	<u>356,037</u>	<u>-</u>	<u>8,477,875</u>
Cash Surrender Value of				
Life Insurance	-	-	27,141	27,141
Beneficial Interest in				
Charitable Trust	-	-	2,650,252	2,650,252
	<u>\$ 8,121,838</u>	<u>\$ 356,037</u>	<u>\$ 2,677,393</u>	<u>11,155,268</u>
Investments at the Net Asset Value				
Commingled Trust Funds				652,201
Total				<u>\$ 11,807,469</u>

2019	Level 1	Level 2	Level 3	Total Fair Value
Mutual Funds				
Equity Funds	\$ 6,631,291	\$ -	\$ -	\$ 6,631,291
Fixed Income Funds	2,762,861	-	-	2,762,861
	<u>9,394,152</u>	<u>-</u>	<u>-</u>	<u>9,394,152</u>
Cash Surrender Value of				
Life Insurance	-	-	29,207	29,207
Beneficial Interest in				
Charitable Trust	-	-	2,714,178	2,714,178
Total	<u>\$ 9,394,152</u>	<u>\$ -</u>	<u>\$ 2,714,178</u>	<u>\$ 12,108,330</u>

The following is a reconciliation of the beginning and ending balances of assets and liabilities measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended June 30:

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 6 FAIR VALUE (CONTINUED)

	2020	2019
Balance, July 1	\$ 2,714,178	\$ 2,553,690
Contributions	-	-
Change in Value of Benefit Interest in Charitable Trusts	(63,926)	160,488
Balance, June 30	<u>\$ 2,650,252</u>	<u>\$ 2,714,178</u>

NOTE 7 PLEDGES RECEIVABLE

Pledges receivable is composed of pledges for the following purposes:

	2020	2019
Endowed Scholarship	\$ 120,440	\$ 162,940
Scholarship	321,975	352,900
Academic Program Support and Student Services	12,000	1,000
Undesignated	44,985	15,000
Total Pledges Receivable	499,400	531,840
Discount to Net Present Value	(241,490)	(235,797)
Total	<u>\$ 257,910</u>	<u>\$ 296,043</u>

The Foundation expects to collect pledges receivable in the following years ended June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 38,890
2022	32,925
2023	18,200
2024	18,200
2025	18,200
Thereafter	18,985
Total	145,400
Discount to Net Present Value	(15,786)
Total	<u>\$ 129,614</u>

Discount to net present value was computed using a risk free rate of return of 5%.

NOTE 8 BENEFICIAL INTEREST IN CHARITABLE TRUSTS

Beneficial interest in charitable trusts represents the present value of future distributions the Foundation expects to receive from its beneficial interest in two trusts. The present value of future distributions is an estimate calculated at the time the Foundation becomes aware of its beneficial interest in an applicable trust and is based on the trust value at that time plus certain discount factors and actuarial assumptions. The discount rate used for June 30, 2020 and 2019 was 5%. Changes in the value of the beneficial interest in the trusts (principally discount amortization) are reflected in the statement of activities.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 8 BENEFICIAL INTEREST IN CHARITABLE TRUSTS

During 2013, the Foundation became aware of its beneficial interests in a charitable trust which was established in 2006 to hold title to and sell approximately 70 acres of land located near Waldorf, Maryland. Under the terms of the trust, once the land is sold the beneficiaries of the trust are to receive at least an annual distribution from the trust of all investment earnings on the trust assets, not to exceed 7%, for a period of 20 following funding. The 20-year period will expire on July 31, 2026.

During fiscal year 2016, the Foundation was granted a charitable remainder trust. Under the trust agreement, the beneficiary is entitled to receive an amount equal to 5% of the net fair market value of the trust value until the recipient's death.

The following is the discounted net present value of the Foundation's beneficial interest in the charitable trusts:

	<u>2020</u>	<u>2019</u>
Value of Charitable Trusts	\$ 3,738,050	\$ 4,004,776
Discount to Net Present Value	(1,087,798)	(1,290,598)
Total	<u>\$ 2,650,252</u>	<u>\$ 2,714,178</u>

NOTE 9 DONATED SERVICES AND FACILITIES

During the years ended June 30, 2020 and 2019, the value of donated goods and services recognized in the accompanying statements of activities as both support and expenses was \$362,808 and \$317,214, respectively, and included the following:

	<u>2020</u>	<u>2019</u>
Salaries, Wages, and Benefits	\$ 318,973	\$ 276,249
Conferences and Meetings	21,358	26,886
Contracted Services	17,543	8,273
Printing and Other	4,934	5,806
Total	<u>\$ 362,808</u>	<u>\$ 317,214</u>

NOTE 10 ENDOWMENTS

The Foundation's endowments consist of approximately 78 individual funds (the Funds) established for a variety of purposes. As required by generally accepted accounting principles (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The endowment consists of donor restricted endowment funds and board-designated endowments.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 10 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) 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 classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowments, (b) the original value of subsequent gifts to the permanent endowments, and (c) accumulations to the permanent endowments made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA.

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

- a) The duration and preservation of the fund;
- b) The purposes of the Foundation and the donor-restricted endowment fund;
- c) General economic conditions;
- d) The possible effect of inflation and deflation The expected total return from income and the appreciation of investments;
- e) Other resources of the Foundation;
- f) The investment policies of the Foundation.

As of June 30, 2020 and 2019, the Foundation had the following endowment net asset composition by type of fund:

	2020		
	Without Donor Restriction	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 57,234	\$ -	\$ 57,234
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	6,136,370	6,136,370
Accumulated Investment Gains	-	2,243,040	2,243,040
Total	<u>\$ 57,234</u>	<u>\$ 8,379,410</u>	<u>\$ 8,436,644</u>

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 10 ENDOWMENTS (CONTINUED)

	2019		
	Without Donor Restriction	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 55,167	\$ -	\$ 55,167
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	6,067,620	6,067,620
Accumulated Investment Gains	-	2,188,412	2,188,412
Total	\$ 55,167	\$ 8,256,032	\$ 8,311,199

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or SPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature should be reported in unrestricted net assets. There were no deficiencies at June 30, 2020 and 2019.

Return Objectives and Risk Parameters

The Foundation implemented investment and spending policies for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets consist of those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the board of directors in November 2015, the board of directors specifies that endowment assets are invested in a manner that is intended to produce results that exceed the return of two weighted indices comprised of either 65% Wilshire 500 total market index and 35% Barclay Capital Aggregate Bond Index, or 65% S&P Global Market Index and 35% Barclays Capital Global Aggregate Index, while assuming a moderate level of investment risk.

Under the updated investment policy, the Foundation expects its endowment funds, over time, to provide an average rate of return of approximately 4.5% above the trailing three-year CPI. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

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

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 10 ENDOWMENTS (CONTINUED)

Spending Policy and how the Investment Objectives Relate to Spending Policy

The Foundation has a policy of annually appropriating for distribution a target of 5% of the previous twenty quarters' average market value of its endowment funds. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current investment policy to allow its endowments to earn an average return that is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Changes in endowment net assets for the years ended June 30, 2020 and 2019 are as follows:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
	\$	\$	\$
Endowment Net Assets - Beginning of Year	55,167	8,256,032	8,311,199
Contributions	-	25,480	25,480
Appropriation of Endowment Assets for Expenditures	-	(215,953)	(215,953)
Endowment Net Assets after Contributions and Expenditures	55,167	8,065,559	8,120,726
Investment Return:			
Investment Income	-	313,851	313,851
Endowment Net Assets after Investment Income	55,167	8,379,410	8,434,577
Endowment Net Assets - End of Year	<u>\$ 55,167</u>	<u>\$ 8,379,410</u>	<u>\$ 8,434,577</u>
	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
	\$	\$	\$
Endowment Net Assets - Beginning of Year	53,372	7,749,224	7,802,596
Contributions	-	308,680	308,680
Appropriation of Endowment Assets for Expenditures	-	(190,086)	(190,086)
Endowment Net Assets After Contributions and Expenditures	53,372	7,867,818	7,921,190
Investment Return:			
Investment Income	1,795	298,184	299,979
Endowment Net Assets After Investment Income	55,167	8,166,002	8,221,169
Other Changes:			
Redirection by Donor of Prior Gift	-	90,030	90,030
Endowment Net Assets - End of Year	<u>\$ 55,167</u>	<u>\$ 8,256,032</u>	<u>\$ 8,311,199</u>

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2020</u>	<u>2019</u>
With Donor Restrictions:		
Endowed Scholarship	\$ 7,244,202	\$ 7,135,949
Endowed Research Support	1,135,208	1,120,083
Scholarship	1,839,473	1,985,732
Beneficial Interests in Charitable Trusts Held by Others	2,360,174	2,391,180
Student Support	4,512	8,207
Academic Program Support	366,165	116,211
Total With Donor Restrictions	<u>\$ 12,949,734</u>	<u>\$ 12,757,362</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Celebration of the Arts	\$ 6,714	\$ 20,848
Nursing and Healthcare	19,381	12,500
ISTEM	17,820	58,460
Education Excellence Fund	15,471	12,299
Research	27,300	-
Other	15,379	11,514
CSM Children's Center	75,000	-
Scholarships	696,846	507,320
Ward Virts Piano Project	8,100	8,000
Total	<u>\$ 882,011</u>	<u>\$ 630,941</u>

NOTE 12 RELATED PARTIES

The College donated consulting services, personnel services, facilities and support for fundraising and donor cultivation activities, including travel, printing, office and advertising costs to the Foundation valued at \$362,808 and \$317,214 in 2020 and 2019, respectively. These donations are reflected in the financial statements as both support revenue and expense.

The Foundation paid the College \$993,945 and \$698,386 in 2020 and 2019, respectively, for scholarships and other contributions. As of June 30, 2020 and 2019 the Foundation's accounts payable balance includes \$7,630 and \$14,136 due to the College for funds advanced by the College on their behalf, respectively.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 13 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through September 15, 2020, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2020, but prior to September 15, 2020 that provided additional evidence about conditions that existed at June 30, 2020 have been recognized in the financial statements for the year ended June 30, 2020. Events or transactions that provided evidence about conditions that did not exist at June 30, 2020 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended June 30, 2020.

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2020

	Net Assets June 30, 2019	Investment Income	Contributions	Scholarship Awards	Other (Deductions)	Other Adjustments	Net Assets June 30, 2020
NET ASSETS WITHOUT DONOR RESTRICTIONS							
Undesignated							
Undesignated gifts and bequests	\$ 801,681	\$ (157,649)	\$ 181,639	\$ (67,318)	\$ (134,889)	\$ -	\$ 623,464
Special Events	52,322	-	8,285	-	(53,866)	-	6,741
Student Services	2,485	-	3,972	-	(5,977)	-	480
Jaycees Educational Assistance Program	4,297	161	-	-	-	-	4,458
Library Memorial	8,864	336	-	-	-	-	9,200
Total Undesignated	869,649	(157,152)	193,896	(67,318)	(194,732)	-	644,343
Board Designated							
R. Fisher Endowment Fund	55,167	2,067	-	-	-	-	57,234
Total Net Assets without Restrictions	924,816	(155,085)	193,896	(67,318)	(194,732)	-	701,577
NET ASSETS WITH DONOR RESTRICTIONS							
Time-Restricted for Future Periods							
Undesignated - Hassanein Charitable Trust	2,391,180	(32,896)	-	-	-	1,890	2,360,174
Research Support							
Entrepreneur & Innovation Institute	1,120,083	41,400	1,025	-	(27,300)	-	1,135,208
Student Support							
PE Wellness Center	8,207	-	15,685	-	(19,380)	-	4,512
Academic Program Support							
ISTEM	48,204	1,415	4,513	-	(17,820)	-	36,312
Southern Maryland Studies Center Fund	41,044	1,547	379	-	-	-	42,970
Technology @ La Plata	2,063	87	12,191	-	-	-	14,341
Technology @ Leonardtown	17,711	311	507	-	-	-	18,529
Technology @ Prince Frederick	2,564	104	1,333	-	-	-	4,001
Ward Virts Piano Project	4,625	-	6,130	-	(8,104)	-	2,651
Thomas V. Mike Miller Jr. Center for Leadership	-	(6,672)	166,170	(500)	(11,637)	-	147,361
Thomas V. Mike Miller Jr. Center for Leadership Endowment	-	-	100,000	-	-	-	100,000
Total Academic Program Support	116,211	(3,208)	291,223	(500)	(37,561)	-	366,165

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
JUNE 30, 2020

	Net Assets June 30, 2019	Investment Income	Contributions	Scholarship Awards	Other (Deductions)	Other Adjustments	Net Assets June 30, 2020
Scholarship							
A Suttan Memorial Scholarship	\$ 2,741	\$ 91	\$ 45	\$ (1,000)	\$ -	\$ -	\$ 1,877
AA Stewart Scholarship	316	12	-	-	-	-	328
ADF Bingo - Kids College	10,610	-	529	(8,976)	-	-	2,163
Alumni Scholarship	1,866	136	1,095	(1,000)	-	-	2,097
APA & SAL Scholarship	923	31	-	-	-	-	954
Arc Southern MD Media Scholarship	519	19	-	-	-	-	538
AVSI Scholarship Fund	-	72	3,000	(3,000)	(72)	-	-
B Wheatley Memorial Endowment	16,646	614	-	(800)	-	-	16,460
Bill Wood Memorial Scholarship	34,586	1,296	-	-	-	-	35,882
Boone & Edelen Scholarship	2,827	106	-	(500)	-	-	2,433
Building Futures Scholarship	79,496	3,033	2,800	(16,429)	-	-	68,900
Celebration of the Arts	20,170	992	11,947	-	(11,465)	-	21,644
Chaney Workforce Development	13,170	1,321	25,000	(7,746)	-	-	31,745
Charles County Chamber Commerce	2,077	66	-	(1,000)	-	-	1,143
Charles County Workforce Devel.	3,539	180	30	(844)	-	-	2,905
CK Walsh Memorial Scholarship	17,843	669	-	(1,000)	-	-	17,512
CLC Scholarship Fund	-	80	-	-	-	-	80
Coldwell Banker J Lilly-CTIT	5,577	263	25	(450)	-	-	5,415
Community Bank of the Chesapeake Annual	12,554	463	-	(6,119)	-	-	6,898
Connie Kite Memorial Scholarship	4,059	246	2,080	(3,000)	-	-	3,385
CR Posten Memorial Fund	333	4	-	-	(337)	-	-
Crossroad Garden Club Scholarship	1,105	41	-	-	-	-	1,146
CSF Scholarship Fund	4,594	162	630	(2,000)	-	-	3,386
CSM Children's Center	574,720	18,727	-	-	(75,000)	-	518,447
CSM Talons Robotics	-	(61)	2,000	(1,500)	-	2,000	2,439
D Williams '68 Scholar	-	92	3,815	-	-	-	3,907
D Fredette Memorial Scholarship	2,768	258	3,375	(1,000)	-	-	5,401
Darrow Memorial Scholarship	1,258	(150)	-	(1,500)	-	392	-
Desiree Angel Osvatics	792	30	-	-	-	-	822

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
JUNE 30, 2020

	Net Assets June 30, 2019	Investment Income	Contributions	Scholarship Awards	Other (Deductions)	Other Adjustments	Net Assets June 30, 2020
Scholarship (Continued)							
DL Smith Memorial Art Scholarship	7,214	281	-	(3,500)	-	-	3,995
DM Krankowski Memorial Endowment	504	26	500	(1,000)	(30)	-	-
Dylan B Hurt Mem Scholar	-	-	175	-	-	-	175
Dr. Richard Fleming Scholarship	2,961	71	2,695	-	-	-	5,727
E Creswick Writing Studio	15,485	580	-	-	-	-	16,065
E Lilly Memorial Nursing	710	(52)	1,450	(2,000)	(108)	-	-
Educational Excellence Fund	33,495	784	-	-	(15,948)	-	18,331
Elaine Ryan Legacy Fund	43,858	1,644	-	-	-	-	45,502
ESFCU Scholarship/Faculty	2,671	84	-	(2,000)	-	-	755
Henderson Scholarship	2,194	53	-	(1,500)	(747)	-	-
FB Trueman Scholarship Calvert County	1,790	-	20,000	(18,000)	(1,790)	-	2,000
Fuller Scholarship Trades	10,522	903	15,000	(9,095)	-	-	17,330
Gambrill Scholarship Fund	2,945	110	-	-	-	-	3,055
General Scholarship Fund	255,833	6,019	12,993	(70,726)	(2,317)	-	201,802
H Willoughby Foundation Scholarship	-	26	100,000	(100,000)	(26)	-	-
Harland R. & Lulu R. Cravat Memorial Scholarship	60,578	2,270	-	-	-	-	62,848
Health Sciences Scholarship	106,737	3,931	-	(11,959)	-	-	98,709
Helen J. Todd Scholarship	69,426	2,965	25,000	(37,500)	-	-	59,891
Hempstead Family Scholarship	7,449	125	550	(2,000)	-	-	6,124
Holt Memorial Nursing Scholarship	1,582	93	725	(1,000)	-	-	1,400
ISSWDC	1,036	(10)	-	-	(1,026)	-	-
Ives Freedom Scholarship Fund	1,107	51	-	(2,000)	855	-	13
J&G Walters Scholarship	6,455	335	10,790	(1,000)	-	-	16,580
J Harris Scholarship	512	19	-	-	-	-	531
J Kornegay Jr Scholar	-	33	900	-	-	-	933
J. Morton Memorial Scholarship	2,485	93	-	-	-	-	2,578
J Patak Memorial Annual Scholarship	-	-	-	-	-	-	-
J Zanelotti, Sr Memorial Scholarship	9,060	357	3,688	(5,000)	-	-	8,105
Jack L Sprague Scholarship	1,818	68	-	(500)	-	-	1,386
Jane H. Sypher Scholarship	4,183	177	10	(1,500)	-	-	2,870
Jude House Rec Scholarship	5,646	196	960	(3,437)	-	-	3,365
K Grier Mem Scholar	-	(90)	3,865	-	-	-	3,775
LaPlata Rotary Energy/Trades Scholarship	23,101	-	532	(900)	-	-	22,733

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
JUNE 30, 2020

	Net Assets June 30, 2019	Investment Income	Contributions	Scholarship Awards	Other (Deductions)	Other Adjustments	Net Assets June 30, 2020
Scholarship (Continued)							
Leonardtown Rotary Heroes Scholarship	\$ 1,082	\$ 28	\$ 1,250	\$ (1,000)	\$ -	\$ -	\$ 1,360
Mary Boyd Memorial Nurse Scholarship	1,176	70	1,240	(1,000)	-	-	1,486
McDonough Foundation Annual Scholarship	2,084	(230)	11,900	(2,500)	-	-	11,254
McNelis Family Scholarship	1,126	27	-	(1,000)	(153)	-	-
MD Motor Truck Association Scholarship	3,343	123	-	(3,300)	(166)	-	-
Mercantile Southern Maryland Bank	1,633	356	7,500	(3,000)	-	-	6,489
Michael A Weaver Jr Scholarship	564	21	-	-	-	-	585
Middleton Nurse Scholarship	9,213	299	-	(4,500)	-	-	5,012
MLT Scholarship	-	-	1,500	(1,500)	-	-	-
NET Annual Scholarship	42,198	1,582	-	-	-	-	43,780
NRL Federal Credit Union Scholarship	2,000	-	-	(2,000)	-	-	-
Nu Zeta Omega Scholarship	917	35	-	(200)	(752)	-	-
Nursing & Healthcare	47,666	1,619	10,310	(6,930)	-	-	52,665
O Stinson Memorial Engineering	10,153	308	-	(1,000)	(291)	-	9,170
P Facchina, Jr Scholarship	1,547	46	-	(1,000)	-	-	593
Presidential Scholarship Program	4,924	188	-	(5,112)	-	-	-
Prince Frederick SA Kickoff Scholarship	-	-	500	(500)	-	-	-
Prince Frederick Student Association Scholarship	20,439	754	-	(1,000)	-	-	20,193
RK Sisters at Heart Scholarship	671	2	1,000	(500)	-	-	1,173
Robert W Straus Trust	40,023	1,500	-	-	-	-	41,523
Ruth Mathes Scholarship	1,254	(28)	-	-	-	-	1,226
S Behmke Legacy Fund	19,308	791	2,240	(1,000)	-	-	21,339
SA @ La Plata Kickoff Scholarship	-	-	-	-	-	-	-
SAHBA Scholarship	-	-	7,500	(7,500)	-	-	-
Salta Family/Direct Mail Scholarship	19,918	550	15,000	(19,000)	-	-	16,468
SBA Scholarship Fund	(1)	24	1,000	(1,000)	(23)	-	-
Schwier & LaFleur Scholarship	5,655	118	3,000	(4,000)	-	-	4,773
SGA-SHS Annual Fund	1,693	119	3,410	(1,135)	-	-	4,087
Simpson Mem Nurse Scholar	1,896	59	50	(1,000)	-	-	1,005
Sidney Waugh Memorial Scholarship	5,420	156	1,555	(2,000)	-	-	5,131

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
JUNE 30, 2020

	Net Assets June 30, 2019	Investment Income	Contributions	Scholarship Awards	Other (Deductions)	Other Adjustments	Net Assets June 30, 2020
Scholarship (Continued)							
SMECO Administrative Professional Scholarship	\$ 2,651	\$ 107	\$ 325	\$ -	\$ -	\$ -	\$ 3,083
SMECO Pre-Apprentice Scholarship	-	67	2,132	-	-	-	2,199
SMWL Scholarship Fund	9,969	287	3,995	(8,812)	-	-	5,439
St. Mary's County Scholarship Annual	9,681	1,078	25,000	(21,500)	-	-	14,259
St. Mary's SARC Scholarship	2,656	102	-	(3,250)	-	492	-
Trades & Technologies	97,021	3,643	5,601	(2,950)	-	-	103,315
TJ Murray Memorial Scholarship	1,030	39	-	(500)	-	-	569
TPP Pathways Scholarship	4,290	1	10,000	(13,000)	-	-	1,291
Travel Studies Scholarship	2,304	86	15	-	-	-	2,405
Tri County 40/8 Nurse Scholarship	2,603	98	-	(800)	-	-	1,901
UM Coalition So MD Scholarship	13,091	391	-	(4,132)	-	-	9,350
W. Martinez Jr. Memorial Scholarship	2,383	71	1,500	(1,500)	-	-	2,454
WesBanco Bank Scholarship	72,888	1,016	1,773	(16,793)	-	-	58,884
William D Bauer Memorial Endowment	12,637	462	-	(1,500)	-	-	11,599
Woodey Theatre Scholarship	8,253	(1,363)	50	-	-	-	6,940
Ziencik-Hess Memorial Scholarship	1,277	63	985	(1,000)	-	-	1,325
Zonta RAVE Walk Scholarship	650	(65)	70	-	-	8	663
Total Scholarship	<u>1,985,732</u>	<u>64,535</u>	<u>376,605</u>	<u>(480,895)</u>	<u>(109,396)</u>	<u>2,892</u>	<u>1,839,473</u>
Endowed Scholarship							
Adjunct Faculty Merit							
Adjunct Faculty Endowment	\$ 40,410	\$ 1,509	\$ 225	\$ (1,923)	\$ -	\$ -	\$ 40,221
Albert L. Edler, Jr Memorial	30,210	1,117	-	(1,300)	-	-	30,027
Bailey Memorial Nurse Endowment	46,037	1,712	-	(1,100)	-	-	46,649
Beers Scholarship Fund	361,948	13,385	-	(17,000)	-	-	358,333
Bradley Gottfried Endowment	76,636	861	-	(1,000)	(1,150)	-	75,347
C&M McAllister Endowment Fund	54,368	2,085	1,000	-	-	-	57,453
Calvert County 350th Anniversary Endowment	20,224	747	-	(900)	-	-	20,071
Calvert County Chamber Endowment	30,444	1,140	2,650	(600)	-	-	33,634
Captain B Robertson Endowment	26,112	967	-	(1,000)	-	-	26,079

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
JUNE 30, 2020

	Net Assets June 30, 2019	Investment Income	Contributions	Scholarship Awards	Other (Deductions)	Other Adjustments	Net Assets June 30, 2020
Endowed Scholarship (Continued)							
Castles and Foundations Fund	\$ 72,333	\$ 2,699	\$ -	\$ (2,200)	\$ -	\$ -	\$ 72,832
Chaney Endowment	243,478	9,028	-	(8,755)	-	-	243,751
Christopher Chinault Scholarship	73,847	2,740	-	(3,498)	-	-	73,089
Civista Medical Center	18,919	709	-	-	-	-	19,628
Community Bank of the Chesapeake Endowment	80,618	2,981	-	(525)	-	-	83,074
Constellation Energy	167,096	8,002	-	-	-	-	175,098
D Fredette Memorial Endowment	25,455	1,003	3,800	-	-	-	30,258
DM Krankowski Memorial Endowment	4,111	154	-	-	-	-	4,265
Dr. Nallan Ramakrishna Scholarship	142,015	5,266	-	(4,800)	-	-	142,481
Ed Matthews, Jr Endowment Fund	32,814	1,213	-	(1,400)	-	-	32,627
EL Alvey Endowed Scholar	-	702	22,675	(500)	-	-	22,877
Endowed Scholarship Fund	171,851	6,292	480	(6,680)	-	-	171,943
Franklin Endowed Scholarship	15,652	587	-	-	-	-	16,239
Gary Merrill	4,035	151	-	-	-	-	4,186
Grainger Family Endowment	30,695	1,143	-	(650)	-	-	31,188
Grimm & Parker Endowment	20,729	777	-	(500)	-	-	21,006
Helen and Henry Lawlor Scholarship	42,848	1,594	-	(1,500)	-	-	42,942
HV Scotland, Jr/III Memorial Endowment	21,135	792	-	-	-	-	21,927
J. Ivey Cline Memorial Scholarship	21,075	755	-	(1,000)	-	-	20,830
J. Rice & M. Fauth Memorial	97,470	3,617	-	(3,000)	-	-	98,087
J Patak Memorial Endowment	19,708	727	-	(1,000)	-	-	19,435
J&M Harms Endowed Scholarship	894,436	26,221	-	(26,000)	(36,044)	-	858,613
James C. Mitchell Nursing Scholarship	54,385	2,006	-	(2,700)	-	-	53,691
Jane H. Sypher Endowed	20,453	782	-	-	-	-	21,235
JD Middleton Memorial	16,835	631	-	-	-	-	17,466
JL & WCS Charity Endowment	20,907	784	-	-	-	-	21,691
Joanne Zwick Memorial Scholarship	13,056	490	-	(640)	-	-	12,906
John Sine Memorial Endowment	20,201	779	5,925	-	-	746	27,651
Johnston Fehl Sch Endow	-	-	20,660	(3,000)	-	-	17,660
Kavetsky Family Endowment	10,165	381	-	-	-	-	10,546
L. K. Farrall II Endowment Fund	69,494	2,569	-	(3,000)	-	-	69,063
Leonardtwn SGA Endowment Fund	28,983	1,086	-	(500)	-	-	29,569

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF CHANGES IN NET ASSETS (CONTINUED)
JUNE 30, 2020

	Net Assets June 30, 2019	Investment Income	Contributions	Scholarship Awards	Other (Deductions)	Other Adjustments	Net Assets June 30, 2020
Endowed Scholarship (Continued)							
Lilly Memorial Endowment Scholarship	\$ 18,588	\$ 688	\$ -	\$ (740)	\$ -	\$ -	\$ 18,536
Louis P Jenkins, Sr Endowment Fund	87,287	3,224	-	(4,000)	-	-	86,511
Lucy Detig Endowed Scholarship	38,513	1,431	300	(1,000)	-	-	39,244
M Dale Family Endowment	31,354	1,175	-	-	-	-	32,529
M Shasho Memorial Endowment	17,372	651	-	-	-	-	18,023
M Shasho Mem Scholar	7,154	232	-	(3,000)	-	-	4,386
Marguerite Cox Family Memorial	76,618	5,391	32,036	(5,114)	-	-	108,931
Marrick Properties	184,015	6,875	-	(5,021)	-	-	185,869
Mary Croft Ward Scholarship	5,853	219	-	-	-	-	6,072
McDonough Charity School	378,632	14,108	-	(9,000)	-	-	383,740
McWilliams Family Trust	37,234	1,408	750	(850)	-	-	38,542
Montgomery Endowment Scholarship	36,712	1,369	118	(950)	-	-	37,249
Nyce Annual Scholarship	2,946	59	1,230	(3,200)	-	-	1,035
Neale C Slater Memorial Scholarship	125,376	4,777	5,400	(3,500)	-	-	132,053
Nyce Scholarship Endowment	23,342	874	1,230	-	-	-	25,446
Our Earth Endowment	22,168	831	-	(500)	-	-	22,499
P Cangelosi Memorial Scholarship	41,050	1,573	4,927	(1,300)	-	-	46,250
Renee Mundy Math Endowment	15,545	583	50	(1,400)	-	-	14,778
RK Sisters at Heart Endowment	18,045	679	1,125	-	-	-	19,849
Russel G. Croft	186,799	7,146	5,000	(8,000)	-	-	190,945
SA Matin Scholarship Endowment	104,515	3,917	-	-	-	-	108,432
SGA-SHS Endowment	20,107	753	-	-	-	-	20,860
Shani J Whipple Scholarship	18,237	664	-	(790)	-	-	18,111
SMECO Engineers Endowment	110,575	3,398	930	(2,200)	-	-	112,703
St. Mary's County Scholarship Endowment Fund	95,535	3,533	-	(4,500)	-	-	94,568
Thomas F. Goldsmith Fund	81,712	3,027	-	(3,500)	-	-	81,239
Tony Hungerford Memorial Endowment Fund	91,509	3,390	375	(3,587)	-	-	91,687
Travel Studies Endowment	25,745	966	48	-	-	-	26,759
Veterans Education Endowment Fund	122,374	4,305	9,483	(5,500)	-	-	130,662
Walter Grove II Endowment Fund	122,597	4,541	1,950	(4,848)	-	2	124,242
We Salute Our Troops - Desert Storm Scholarship	4,039	151	-	-	-	-	4,190
William Lyon Endowment Fund	32,522	1,219	-	-	-	-	33,741
Wm. B. and Vivian M. King Endowment Fund	1,788,161	44,086	-	(45,700)	-	-	1,786,547
Wywill Teacher Ed Endowment Scholarship	22,530	832	25	(1,080)	(1)	-	22,306
Total Endowed Scholarship	<u>7,135,949</u>	<u>238,259</u>	<u>122,392</u>	<u>(215,451)</u>	<u>(37,195)</u>	<u>748</u>	<u>7,244,202</u>
Total Net Assets with Donor Restrictions	<u>12,757,362</u>	<u>308,090</u>	<u>806,930</u>	<u>(696,846)</u>	<u>(230,832)</u>	<u>5,530</u>	<u>12,949,734</u>
Total Net Assets	<u>\$ 13,682,178</u>	<u>\$ 153,005</u>	<u>\$ 1,000,826</u>	<u>\$ (764,164)</u>	<u>\$ (425,564)</u>	<u>\$ 5,530</u>	<u>\$ 13,651,311</u>

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF INVESTMENTS
JUNE 30, 2020

INVESTMENTS	Units	Cost Basis	Market Value
Equities			
Advance Auto Parts	93	\$ 12,668	\$ 13,248
Apple Inc	117	37,180	42,682
Adobe Inc	116	44,007	50,496
Akamai Technologies Inc	164	16,829	17,563
Alcon Inc	335	19,430	19,202
Allegion Pub Ltd Co	119	16,493	12,164
Alexion Pharm Inc	112	11,369	12,571
Amgen Inc	153	32,858	36,087
Ameriprise Fincl Inc	102	17,471	15,304
Amazon Com Inc	27	58,397	74,488
Ansys Inc	119	33,890	34,716
Aptiv Plc	99	7,299	7,714
American Express Co	145	18,345	13,804
Alibaba Group Hldg Ltd	73	15,943	15,746
Bank Of America Corp	277	9,317	6,579
Bright Horizons Family Solut	30	3,507	3,516
Black Knight Inc	134	9,577	9,723
Blackline Inc	104	6,329	8,623
Biomarin Pharmac Se	101	9,049	12,457
Bok Financial Corp New	110	8,473	6,208
Brooks-Automation Inc	131	4,977	5,795
Anheuser Busch Inbev Sa Spon	175	11,284	8,628
Cable One Inc Com	6	9,089	10,649
Chubb Ltd	76	12,425	9,623
Cbre Group Inc Cl A	254	14,469	11,486
Commerce Bancshares	138	9,678	8,207
Cullen Frost Bankers Inc	105	8,996	7,845
Ch Robinson Worldwide Inc New	102	7,625	8,064
Comcast Corp (New) Class A	381	17,353	14,851
Capital One Financial Corp	128	13,114	8,012
Cabot Oil & Gas Corp A	637	9,453	10,944
Costco Wholesale Corp New	41	13,263	12,432
Coupa Software Inc	10	1,179	2,770
Salesforce.Com,Inc.	105	19,086	19,670
Costar Group Inc	11	7,906	7,817
Corteva Inc	476	14,608	12,752
Danaher Corporation	144	23,782	25,464
Walt Disney Co Hldg Co	125	17,678	13,939
Ecolab Inc	134	26,966	26,659
Elanco Animal Health Inc	491	9,683	10,532
Equity Lifestyle Properties	115	8,619	7,185
Envestnet Inc	74	5,910	5,442
Equinix Inc	21	13,616	14,748
East West Bancorp	189	8,958	6,849
Fastenal Co	195	7,185	8,354
Facebook Inc Cl-A	216	45,131	49,047
Fidelity Natl Information Se	107	15,614	14,348
Genl Dynamics Corp	70	13,149	10,462
Alphabet Inc Cl C	18	26,711	25,445

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF INVESTMENTS
JUNE 30, 2020

INVESTMENTS	Units	Cost Basis	Market Value
Equities (Continued)			
W W Grainger Inc	44	\$ 13,140	\$ 13,823
Home Depot Inc	64	14,957	16,033
Heico Corp Class A	52	4,201	4,224
Idexx Labs	10	2,393	3,302
Illumina Inc	35	9,670	12,962
Ihs Markit Ltd	206	15,693	15,553
Intuitive Surgical Inc	9	5,416	5,128
Johnson Ctls Intl Plc	335	13,978	11,437
Jpmorgan Chase & Co	130	16,589	12,228
Carmax Inc	82	7,323	7,343
Coca Cola Co	284	17,016	12,689
Lennar Corporation	203	14,238	12,509
Microchip Technology Inc	172	18,781	18,113
Moodys Corp	43	10,631	11,813
Medtronic Plc Shs	156	18,249	14,305
Markel Corp (Holding Co)	14	17,636	12,924
Martin Marietta Materials	62	16,354	12,807
Monster Beverage Corp New Com	166	10,427	11,507
Microsoft Corp	379	69,033	77,130
Mitsubishi Ufj Fincl Grp Ads	1,465.00	7,557	5,757
Nutanix Inc Cl A	212	2,705	5,025
Nvidia Corporation	52	13,860	19,755
Novartis Ag Adr	135	13,182	11,791
Old Dominion Freight Line	26	3,684	4,409
Okta, Inc Cl A	20	2,538	4,005
Oshkosh Corp	202	16,942	14,467
Palo Alto Networks Inc	65	13,704	14,929
Parker Hannifin Corp	77	16,049	14,112
Pnc Finl Svcs Gp	104	11,958	10,942
Pros Hldg Inc	213	9,339	9,464
Phillips 66 Com	169	15,056	12,151
Pioneer Natural Resources Co	64	7,285	6,253
Paypal Hldgs Inc Com	134	16,418	23,347
Qualcomm Inc	335	27,327	30,555
Qualys Inc Com	49	4,064	5,097
Roper Technologies, Inc.	27	10,188	10,483
R P M Inc	171	10,358	12,835
Raytheon Technologies Corp	214	13,648	13,187
Sba Communicatns Corp New Cl A	39	11,215	11,619
Sony Corp Adr 1974 New	252	17,302	17,421
Splunk Inc	103	16,051	20,466
Sun Communities Inc	52	8,737	7,055
Transdigm Group Inc	19	11,109	8,399
Atlassian Corp Plc Cl A	20	2,648	3,605
Bio-Techne Corp	49	9,839	12,939
Teleflex Inc	22	7,474	8,008
Thermo Fisher Scientific	57	19,262	20,653
Tyson Foods Inc Cl A	195	15,730	11,643
Twilio Inc Cl A	14	1,688	3,072

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF INVESTMENTS
JUNE 30, 2020

	Units	Cost Basis	Market Value
INVESTMENTS			
Equities (Continued)			
Twitter Inc	291	\$ 10,749	\$ 8,669
Texas Instruments	93	12,206	11,808
Tyler Technologies Inc	10	3,188	3,469
Uber Technologies Inc	482	15,658	14,981
Ulta Beauty Inc	52	11,394	10,578
Unitedhealth Gp Inc	102	30,119	30,085
United Parcel Ser Inc CI-B	164	17,432	18,234
Visa Inc Cl A	176	36,830	33,998
Veeva Sys Inc Cl A	31	4,606	7,267
Vulcan Materials Co	100	13,813	11,585
Vmware Inc Class A	96	13,846	14,867
Verisk Analytics Inc Com	87	14,294	14,807
Walgreens Boots Alliance Inc	148	7,818	6,274
Waste Connections Inc	146	14,536	13,693
Xylem Inc Com	137	10,528	8,900
Zoetis Inc Class-A	157	22,175	21,516
Total Equities	<u>16,479</u>	<u>1,657,772</u>	<u>1,660,915</u>
Exchange Traded Funds			
Vanguard Total Bond Market	11,994	1,029,151	1,059,550
Ishares Inc Msci Japan Etf	2,526	147,480	138,728
Ishares Core S&P 500 Etf	2,434	757,187	753,785
Vanguard Intl Equity Index Fd	16,068	859,317	764,997
Vanguard Mid Cap Value Etf	2,574	300,488	246,332
Vanguard Value Etf Index	2,585	311,754	257,441
Total Exchange Traded Funds	<u>38,181</u>	<u>3,405,377</u>	<u>3,220,833</u>
Mutual Funds			
Abbey Cptl Futures Strategy I	5,631	64,335	63,119
Artisan Intl Value Adv	11,303	419,357	353,684
Artisan Developing World Adv	20,960	348,259	407,884
Goldman Sachs Abslt Ret Trck I	61,059	602,727	559,909
Western Asset Smash Series Ec	27,401	249,162	232,909
Western Asset Smash Series C	13,506	128,182	125,876
Western Asset Smash Series M	15,379	169,193	169,323
Invesco Opp Intl Bd Y	80,437	444,645	423,099
Invesco Opp Intl Growth Y	9,610	432,592	410,521
T Rowe Price Qm Us Sm Cp Gr Eq	2,521	99,703	94,501
Royce Premier Inv	8,350	108,355	93,271
Amg Timesquare Intl Sm Cp I	7,544	122,292	108,260
Total Mutual Funds	<u>263,701</u>	<u>3,188,802</u>	<u>3,042,356</u>

COLLEGE OF SOUTHERN MARYLAND FOUNDATION, INC.
SCHEDULE OF INVESTMENTS
JUNE 30, 2020

	Units	Cost Basis	Market Value
INVESTMENTS			
Corporate Fixed Income Funds			
Bank Of America Corp Fxd To 102029 Var Thrafr 2.8840%	15,000	\$ 15,796	\$ 16,228
Citigroup Inc Fxd To 072027 Var Thrafr 3.6680%	15,000	16,237	16,724
Comcast Corp	13,000	14,826	15,584
Cvs Health Corp	16,000	18,474	18,713
Enterprise Products Operating Llc	9,000	10,750	10,735
General Electric Co	10,000	11,946	11,287
Goldman Sachs Group Inc/The	13,000	13,948	14,373
Jpmorgan Chase & Co Fxd To 072028 Var Thrafr 4.2030%	19,000	21,615	22,277
Microsoft Corp	15,000	19,288	20,450
Occidental Petroleum Corp	14,000	14,498	11,375
Shell International Finance Bv	15,000	15,863	16,454
Verizon Communications Inc	4,000	4,642	4,718
Wells Fargo & Co Fxd To 052027 Var Thrafr 3.5840%	15,000	16,277	18,816
Total Corporate Fixed Income Funds	173,000	194,160	197,734
Government Securities			
Fed Natl Mtg Assn	7,000	10,257	10,849
Federal National Mtg Assn Pool Ma3521	53,000	28,910	28,609
Federal National Mtg Assn Pool Ma3803	65,000	53,803	54,117
Federal National Mtg Assn Pool Ma3945	14,000	13,991	13,854
Fhlmc 30 Yr Gold Sd8010	35,000	29,478	29,955
Fhlmc 30 Yr Gold Zt1546	62,000	29,987	29,747
United States Treasury Bond-Inflation Indexed	10,000	10,727	11,189
United States Treasury Bond	32,000	39,759	44,180
United States Treasury Bond	29,000	35,415	38,937
United States Treasury Bond	22,000	25,277	27,247
United States Treasury Note	26,000	27,742	27,814
United States Treasury Note	38,000	38,018	39,539
Total Government Securities	393,000	343,364	356,037
Commingled Trust Funds			
Blackstone Reit	39,801	456,226	419,757
Skybridge Mul-Ad Ser G Adv	248	300,000	232,444
Total Commingled Trust Funds	40,049	756,226	652,201