

UWG ATHLETIC FOUNDATION, INC.

FINANCIAL REPORT

JUNE 30, 2019

UWG ATHLETIC FOUNDATION, INC.

FINANCIAL REPORT JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
UWG Athletic Foundation, Inc.
Carrollton, Georgia

We have audited the accompanying financial statements of **UWG Athletic Foundation, Inc.** (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 UWG Athletic Foundation, Inc. as of June 30, 2019 and 2018, 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
August 26, 2019

UWG ATHLETIC FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets:		
Cash	\$ 193,630	\$ 206,326
Restricted cash	270,968	248,127
Pledges receivable (net of allowance of \$50,968 and \$40,768, respectively)	79,476	106,954
Investments	783,883	750,850
Related party receivable	-	56,702
Other current assets	94	94
Total current assets	<u>1,328,051</u>	<u>1,369,053</u>
 Pledges receivable, non-current (net of allowance of \$57,898 and discount of \$2,828 for 2019 and \$58,155 and \$4,401 for 2018, respectively)	 <u>79,394</u>	 <u>148,110</u>
 Total assets	 <u>\$ 1,407,445</u>	 <u>\$ 1,517,163</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 4,700	\$ 20,134
Deferred revenue	85,492	88,725
Total current liabilities	<u>90,192</u>	<u>108,859</u>
 Net assets:		
Without donor restrictions	139,744	136,510
With donor restrictions	1,177,509	1,271,794
Total net assets	<u>1,317,253</u>	<u>1,408,304</u>
 Total liabilities and net assets	 <u>\$ 1,407,445</u>	 <u>\$ 1,517,163</u>

See Notes to Financial Statements.

UWG ATHLETIC FOUNDATION, INC.

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions	\$ 204,835	\$ 86,816	\$ 291,651
Contributed services and materials	278,699	-	278,699
Contributed salaries and benefits by the University of West Georgia	335,507	-	335,507
Athletic program revenue	175,904	-	175,904
Ticket sales	55,361	-	55,361
Parking revenue	4,176	-	4,176
Special event income	12,450	-	12,450
Fundraising event income	43,329	-	43,329
Camp income	21,616	-	21,616
Investment income, net of fees	-	33,034	33,034
Other income	29,200	-	29,200
Net assets released from restrictions - satisfaction of program restrictions	214,135	(214,135)	-
Total support and revenues	1,375,212	(94,285)	1,280,927
EXPENSES			
Program services:			
University of West Georgia Athletic			
Department support	861,604	-	861,604
Scholarships	153,500	-	153,500
Total program services	1,015,104	-	1,015,104
Management and general	231,761	-	231,761
Fundraising	125,113	-	125,113
Total expenses	1,371,978	-	1,371,978
Change in net assets	3,234	(94,285)	(91,051)
Net assets:			
Beginning of year	136,510	1,271,794	1,408,304
End of year	\$ 139,744	\$ 1,177,509	\$ 1,317,253

See Notes to Financial Statements.

UWG ATHLETIC FOUNDATION, INC.

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions	\$ 103,581	\$ 48,770	\$ 152,351
Contributed services and materials	137,763	231,786	369,549
Contributed salaries and benefits by the University of West Georgia	242,788	-	242,788
Athletic program revenue	97,233	6,524	103,757
Ticket sales	171,111	-	171,111
Parking revenue	51,392	-	51,392
Special event income	13,423	2,500	15,923
Fundraising event income	34,353	11,526	45,879
Camp income	23,668	-	23,668
Investment income, net of fees	-	46,759	46,759
Other income	38,654	-	38,654
Net assets released from restrictions - satisfaction of program restrictions	983,912	(983,912)	-
Total support and revenues	1,897,878	(636,047)	1,261,831
EXPENSES			
Program services:			
University of West Georgia Athletic Department support	1,061,749	-	1,061,749
Scholarships	16,500	-	16,500
Total program services	1,078,249	-	1,078,249
Management and general	218,065	-	218,065
Fundraising	89,887	-	89,887
Total expenses	1,386,201	-	1,386,201
Change in net assets	511,677	(636,047)	(124,370)
Net assets (deficit):			
Beginning of year	(375,167)	1,907,841	1,532,674
End of year	\$ 136,510	\$ 1,271,794	\$ 1,408,304

See Notes to Financial Statements.

UWG ATHLETIC FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2019

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and benefits	\$ 41,880	\$ 177,770	\$ 81,307	\$ 300,957
Team expenses	193,030	-	-	193,030
Ticket expense	29,140	-	-	29,140
Rentals	172,720	-	-	172,720
Bad debt expense	-	31,515	-	31,515
Contract services	13,869	-	9,810	23,679
Event expense	45,003	-	3,808	48,811
Student expenses	22,560	-	-	22,560
Bank and processing fees	5,858	2,983	-	8,841
Recruiting	15,005	-	-	15,005
Meals and entertainment	24,663	9	5,030	29,702
Lodging	21,350	-	-	21,350
Program support	82,702	-	-	82,702
Equipment	17,338	-	3,400	20,738
Apparel	18,723	-	-	18,723
Insurance	32,860	-	-	32,860
Membership and dues	16,261	-	-	16,261
Printing and reproduction	26,294	-	402	26,696
Professional fees	10,100	2,300	-	12,400
Recognition and awards	16,560	-	2,335	18,895
Scholarships	153,500	-	-	153,500
Supplies	10,511	16,818	17,387	44,716
Telecommunications	19,325	-	-	19,325
Travel	1,042	366	366	1,774
Advertising	10,200	-	257	10,457
Repairs and maintenance	1,059	-	-	1,059
Conferences and seminars	9,306	-	-	9,306
Marketing and promotions	2,534	-	-	2,534
Postage and shipping	1,320	-	-	1,320
Publications and subscriptions	250	-	-	250
Sponsorships	100	-	-	100
Miscellaneous	41	-	1,011	1,052
	<u>41</u>	<u>-</u>	<u>1,011</u>	<u>1,052</u>
Total expenses	<u>\$ 1,015,104</u>	<u>\$ 231,761</u>	<u>\$ 125,113</u>	<u>\$ 1,371,978</u>

See Notes to Financial Statements.

UWG ATHLETIC FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2018

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and benefits	\$ 43,213	\$ 138,542	\$ 63,407	\$ 245,162
Team expenses	173,689	-	-	173,689
Ticket expense	186,699	-	-	186,699
Rentals	106,515	-	-	106,515
Bad debt expense	-	64,394	-	64,394
Leased vehicles	59,709	-	-	59,709
Contract services	46,809	-	11,128	57,937
Event expense	47,512	-	4,480	51,992
Student expenses	42,944	-	-	42,944
Bank and processing fees	34,251	6,510	-	40,761
Recruiting	39,229	-	-	39,229
Meals and entertainment	34,235	-	1,887	36,122
Lodging	35,275	-	-	35,275
Program support	28,470	-	-	28,470
Equipment	25,348	-	6,169	31,517
Apparel	20,412	-	1,093	21,505
Insurance	21,599	-	296	21,895
Membership and dues	13,421	-	-	13,421
Printing and reproduction	11,589	-	-	11,589
Professional fees	5,468	7,500	-	12,968
Recognition and awards	16,004	-	1,053	17,057
Scholarships	16,500	-	-	16,500
Supplies	14,816	627	374	15,817
Telecommunications	19,036	-	-	19,036
Travel	17,103	-	-	17,103
Advertising	7,635	-	-	7,635
Repairs and maintenance	4,631	-	-	4,631
Conferences and seminars	1,054	-	-	1,054
Marketing and promotions	561	-	-	561
Postage and shipping	2,307	-	-	2,307
Publications and subscriptions	763	-	-	763
Sponsorships	440	-	-	440
Staff development	660	-	-	660
Technology	352	-	-	352
Interest expense	-	492	-	492
Total expenses	\$ 1,078,249	\$ 218,065	\$ 89,887	\$ 1,386,201

See Notes to Financial Statements.

UWG ATHLETIC FOUNDATION, INC.

STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
OPERATING ACTIVITIES		
Change in net assets	\$ (91,051)	\$ (124,370)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in allowance for bad debt	(9,943)	88,137
Change in discount on pledges receivable	1,573	(7)
Unrealized and realized (gains) on investments, net	(33,033)	(38,133)
Net decrease in assets:		
Pledges receivable	104,564	150,230
Related party receivable	56,702	10,282
Net increase (decrease) in liabilities:		
Accounts payable	(15,434)	11,332
Deferred revenue	(3,233)	(21,498)
Net cash provided by operating activities	<u>10,145</u>	<u>75,973</u>
INVESTING ACTIVITIES		
Purchases of investments	<u>-</u>	<u>(150,000)</u>
Net cash (used in) investing activities	<u>-</u>	<u>(150,000)</u>
Increase (decrease) in cash	10,145	(74,027)
Cash, beginning of year	<u>454,453</u>	<u>528,480</u>
Cash, end of year	<u>\$ 464,598</u>	<u>\$ 454,453</u>

See Notes to Financial Statements.

UWG ATHLETIC FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION

UWG Athletic Foundation, Inc. (the "Foundation") was established and incorporated as a non-profit organization in the State of Georgia in 2013 to promote the athletic programs of the University of West Georgia (the "University") by supporting excellence in academics, community service and athletic competition.

The Foundation and the University entered into a Memorandum of Understanding on July 1, 2013, as amended, which outlined certain rights and responsibilities of each party with regards to the management and enhancement of the University's athletic programs. The University will continue to process employee payroll and benefits and the majority of athletic scholarships. The Foundation is responsible for the fundraising and donor support of the University's athletic programs.

The Foundation and the University of West Georgia Foundation ("UWGF") entered into a Memorandum of Understanding on May 1, 2013, as amended, which outlined certain rights and responsibilities of each party with regards to the management and administration of the Foundation. UWGF will act as fiscal agent for the Foundation in terms of the provision of the custodial account, fiscal, and record keeping services for the Foundation. The Foundation is responsible for adhering to all contractual agreements and obligations entered into by UWGF on behalf of the Foundation. The Foundation will also pay UWGF an amount equal to 1.3% of the highest balance of the operating accounts owned by the Foundation for management services. At June 30, 2018, \$1,149 was accrued for management fees earned by UWGF for the period July 1, 2017 through June 30, 2018. Beginning July 1, 2018, UWGF no longer charged the Foundation an administrative management fee as described in Note 7.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

The Foundation presents its financial statements in accordance with Financial Accounting Standards Board (FASB) ASC, *Financial Statements of Not-for-Profit Organizations*. Under this standard, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restriction.

Net assets without donor restrictions consists of net assets that are not subject to donor-imposed stipulations, which are used to account for resources available to carry out the purposes of the Foundation. The principal sources of funds generated for net assets without donor restrictions are contributions and program revenues.

Net assets with donor restrictions consists of net assets that are subject to donor-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 may be 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

Pledges of financial support from organizations and individuals representing an unconditional promise to pay are recognized in the financial statements once all conditions have been met. In the absence of such promise, a contribution is recognized when the gift is received.

Revenue Recognition

Ticket and event revenues are recognized when the event takes place. As of July 1, 2018, ticket and parking revenues from UWG sport events no longer ran through the Foundation, but went directly to the University.

Cash Concentration

The Foundation maintains cash balances at high quality financial institutions. Cash balances are insured by the FDIC for up to \$250,000. Cash balances often exceed the FDIC insurance limit, however, management does not believe it is exposed to significant credit risk on its account.

Donated Services and In-Kind Support

The Foundation receives services, space, equipment and other nonfinancial items without payment or compensation. When the value of such services and support is ascertainable and meets the criteria for recognition, it is recognized in the accompanying financial statements as revenue and expense at the estimated fair value on the date of donation. Donated services from the University represent salaries and benefits paid by the University on behalf of the Foundation. Donated services from the University totaled \$335,507 and \$242,788 for the years ended June 30, 2019 and 2018, respectively. In-kind contributions from third parties were \$278,699 and \$369,549 for the years ended June 30, 2019 and 2018, respectively. These amounts are classified throughout operating revenues and operating expenses, as applicable, on the statement of activities.

Income Tax

The Foundation qualifies as a tax-exempt organization as described in Internal Revenue Code Section 501(c)(3) and has been classified by the Internal Revenue Service as a publicly supported organization and not a private foundation. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation as unrelated business income. The Foundation files Form 990 in the U.S. federal jurisdiction and the State of Georgia.

Management has evaluated the Foundation's tax positions and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions on accounting for uncertainty in income taxes.

Functional Allocation of Expenses

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 salaries and benefits, contract services, event expense, meals and entertainment, equipment, apparel, insurance, professional fees, recognition and awards and supplies, which are allocated on the basis of estimates of time and effort.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of 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 certain reported amounts and disclosures. Actual results could differ from those estimates.

Investments

Investments, including investments held by the Trustee, consist primarily of money market accounts, mutual funds, fixed income securities, and equity securities and are carried at fair value. Investment expenses incurred totaled \$2,230 and \$2,078 for the years ended June 30, 2019 and 2018, respectively.

Donated investments are recorded at fair value on the date received. Realized and unrealized gains and losses on the portfolio are recognized as income or loss and are included in other income on the statement of activities.

Investment securities are exposed to various risks, such as interest rate risk, market risk, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the accompanying financial statements.

Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and cash equivalents - The carrying amount approximates fair value because of the short-term maturity of these instruments.

Investments - Investments are carried at fair value based on quoted market prices for those or similar investments, third party pricing service for identical or similar investments, or from valuation methodologies including option pricing models, discounted cash flows and similar techniques.

The Foundation follows FASB's fair value measurements and disclosure guidance, which provides a framework for measuring fair value under generally accepted accounting principles.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments (Continued)

This guidance applies to all financial instruments that are being measured and reported on a fair value basis.

As defined in the FASB issued guidance, fair value is 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. In determining fair value, the Foundation uses various methods including market, income and cost approaches.

Based on these approaches, the Foundation often utilizes certain assumptions that market participants would use in pricing the assets or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Foundation is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker-traded transactions.

Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities.

If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of these instruments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

For the years ended June 30, 2019 and 2018, the application of valuation techniques applied to similar assets and liabilities has been consistent. The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker-dealers.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. 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	\$	193,630
Promises to give		35,042
Board designated endowments distributions and appropriations		100,000
Annual scholarship distributions and appropriations		101,500
		\$ 430,172

The Foundation's endowment fund consist of a fund designated by the Board as endowment (quasi-endowment). This quasi-endowment is held by the Trustee as described in Note 2. The market value of these investments at June 30, 2019 was \$783,883. Although the Foundation does not intend to spend from this investment account, the funds could be made available if necessary.

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

NOTE 4. NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2019 and 2018, net assets with donor restrictions consisted of cash, investments and were available for the following:

	2019	2018
Subject to expenditure for specified purpose:		
Champion's Fund	\$ 931,202	\$ 896,927
Scholarship Funds	8,150	7,920
Sport-specific Funds	18,122	21,706
Stadium Improvement Funds	62,921	62,921
Other Restricted Purpose Funds	34,304	27,997
Promises to give, the proceeds from which have been restricted by donors for:		
Champion's Fund	122,810	254,323
Total	\$ 1,177,509	\$ 1,271,794

NOTES TO FINANCIAL STATEMENTS

NOTE 4. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

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, 2019 and 2018:

	2019	2018
Satisfaction of purpose restrictions:		
Champion's Fund	\$ 152,060	\$ 271,924
Scholarship Funds	3,770	5,644
Sport-specific Funds	58,305	269,503
Stadium Improvement Funds	-	33,323
Other Restricted Purpose Funds	-	403,518
Total	\$ 214,135	\$ 983,912

NOTE 5. PLEDGES RECEIVABLE

At June 30, 2019, pledges receivable consisted of the following:

	Without Donor Restrictions	With Donor Restrictions
Receivable in less than one year	\$ 35,042	\$ 95,402
Receivable in one to five years	6,000	134,120
Receivable in more than five years	-	-
Total unconditional pledges receivable	41,042	229,522
Less discount on pledges receivable over one year	(221)	(2,607)
Total unconditional pledges receivable, less discount	40,821	226,915
Less allowance for uncollectible pledges receivable	(4,761)	(104,105)
Net unconditional pledges receivable	\$ 36,060	\$ 122,810

At June 30, 2018, pledges receivable consisted of the following:

	Without Donor Restrictions	With Donor Restrictions
Receivable in less than one year	\$ 560	\$ 145,912
Receivable in one to five years	500	206,456
Receivable in more than five years	-	4,960
Total unconditional pledges receivable	1,060	357,328
Less discount on pledges receivable over one year	(5)	(4,396)
Total unconditional pledges receivable, less discount	1,055	352,932
Less allowance for uncollectible pledges receivable	(314)	(98,609)
Net unconditional pledges receivable	\$ 741	\$ 254,323

At June 30, 2019 and 2018, the discount rate used on long-term pledges receivable was 1-2%.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. FAIR VALUE MEASUREMENTS

The following table sets forth by level, within the fair value hierarchy, the Foundation's investments at fair value as of June 30, 2019:

	Level 1	Level 2	Level 3	NAV Practical Expedient	Total
Money market funds	\$ 8,789	\$ -	\$ -	\$ -	\$ 8,789
Mutual funds	495,283	-	-	-	495,283
Equity securities	171,982	-	-	-	171,982
Alternative investments	-	-	-	107,829	107,829
Total asset at fair value	<u>\$ 676,054</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107,829</u>	<u>\$ 783,883</u>

The following table sets forth by level, within the fair value hierarchy, the Foundation's investments at fair value as of June 30, 2018:

	Level 1	Level 2	Level 3	NAV Practical Expedient	Total
Money market funds	\$ 7,279	\$ -	\$ -	\$ -	\$ 7,279
Mutual funds	478,580	-	-	-	478,580
Equity securities	193,877	-	-	-	193,877
Alternative investments	-	-	-	71,114	71,114
Total asset at fair value	<u>\$ 679,736</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,114</u>	<u>\$ 750,850</u>

In accordance with FASB's fair value measurement presentation and disclosure guidance, certain investments that are measured at fair value using the net asset value per share (or its equivalents) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The alternative investments includes investments in pooled investment funds both domestic and international. There is no unfunded commitment related to these funds. The fund has a quarterly redemption frequency and a 45 day prior to trade date redemption notification. The fair value of the investment has been estimated using the net asset value per share of the investment.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. RELATED PARTY

As described in Note 1, the Foundation and UWGF have entered into a Memorandum of Understanding regarding the responsibilities of each in regards to the operations of the Foundation. At June 30, 2019 and 2018, UWGF owed the Foundation \$- and \$56,702, respectively, for contributions received by UWGF for benefit of the Foundation through its online giving portal as well as expenses paid by the Foundation on behalf of UWGF. The administrative fee for UWGF holding invested funds on behalf of the Foundation was \$- and \$6,601 for the years ended June 30, 2019 and 2018, respectively. The administrative fee is an amount equal to 1.3% of the invested funds' rolling average of the preceding 12-quarters ended from the most recent calendar year end pursuant to UWGF's Investment, Spending, and Endowment Policy. Beginning July 1, 2018, leased vehicles for use by athletic coaching staff were paid by UWGF.

NOTE 8. SUBSEQUENT EVENTS

Management has evaluated events occurring through August 26, 2019, the date the financial statements were available to be issued.