SIERRA COLLEGE FOUNDATION

FINANCIAL STATEMENTS
June 30, 2025 and 2024

SIERRA COLLEGE FOUNDATION
Rocklin, California

FINANCIAL STATEMENTS
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CONTENTS

Sierra College Foundation (SCF) is a nonprofit organization dedicated to supporting **Sierra College** in its mission to provide accessible, high-quality education and opportunities for students.

SCF plays a crucial role in:

- **Supporting Student Success:** Providing scholarships, grants, and other resources to help students achieve their academic goals.
- **Enhancing Faculty Excellence:** Supporting faculty development, research, and innovation.
- **Improving Campus Facilities:** Funding projects to enhance the learning environment and student experience.
- **Promoting Community Engagement:** Fostering partnerships and collaborations that benefit the college and the surrounding community.

As a separate legal entity, SCF raises funds and manages resources to directly support Sierra College's initiatives, ensuring that students have the tools and resources they need to succeed.

The financial statements of SCF communicate its financial condition and operational results. The statements are presented, in many ways, similar to those of business enterprises. They include:

- Statement of Financial Position. This report presents the financial position as of the end of the fiscal year (which is June 30th) including assets, liabilities, and net assets (equity). It should help the reader obtain information about SCF's long and short-term investments and net asset classifications.

- Statement of Activities. This report presents financial activity during the fiscal year, thereby reconciling the beginning and end-of-year net asset positions contained in the Statement of Financial Position. It provides activity information about the two classes of net assets and helps to distinguish net operating results from programmatic donor-directed activities.

- Statement of Cash Flows. This report presents cash-related activities during the fiscal year, thereby reconciling the beginning and end-of-year cash balances contained in the Statement of Financial Position. Like those required of for-profit entities, this statement segregates the activities of SCF into three categories: cash flows from operations, investing, and financing activities.

In other ways, however, SCF's statements differ from those of businesses. The revenue stream for SCF is primarily contributions from our donor base. Because the net assets may not be immediately available for use, our financial statements divide them into two classes: net assets without donor restrictions (unrestricted) and net assets with donor restrictions (restricted). The distinction among these classes is linked to the control SCF has over their use.

(Continued)

Statement of Financial Position

Current assets consist primarily of cash, cash equivalents, and receivables.

The Finance Committee has worked diligently with financial advisors to maintain a robust investment portfolio that aligns with SCF's strategic goals. Thanks to the generosity of donors, the foundation has been able to increase its funding to support Sierra College students and enhance the overall quality of education.

Total net assets increased from $18,677,482 to $21,096,881. Net assets are directly impacted by the collection and subsequent use of donations as well as any changes in the market value of the investments. The following classes are contained within total net assets:

- *Net assets without donor restriction* are the amounts that are available to SCF for any purpose in support of its mission. This class of net assets increased by $512,323 over the prior year.

- *Net assets with donor restriction* are restricted by the donor and can only be spent in accordance with the donor's specified criteria. Permanently endowed funds are included in this classification. This class of net assets increased by $1,907,076 over the prior year.

Statement of Activities

The Statement of Activities includes the following categories:

Revenue, gains and other support are revenues received from bequests, grants, donors, corporate sponsorships, and fundraising events. Investment income and appreciation or depreciation of its investments is also reflected in this section.

- *Annual Fundraising.* SCF generated $2,283,369 in contributions during 2024-2025, including unrestricted funds of $957,881.

- *Annual Events*. SCF sponsored annual fundraising events such as a signature gala and the Sierra College Golf Classic. Total revenues from fundraising events were $559,945 (included in the total annual contribution amount listed above).

District support and Foundation expenses are payments for student scholarships, academic program support, fundraising expenses, and operating costs to carry out the mission of SCF.

Sierra College Foundation (SCF) is committed to supporting **Sierra College** students through various initiatives and programs. SCF **raises funds** to address critical student needs and **enhance the overall educational experience**.

(Continued)

Key Areas of Focus:

- **Guardian Scholars:** Providing comprehensive support to emancipated youth pursuing higher education.
- **Innovation:** Supporting innovative programs and student entrepreneurship.
- **Veterans Services:** Offering financial assistance and resources to veterans attending Sierra College.
- **Emergency Support:** Assisting students facing unexpected financial challenges.
- **Student Assistance Fund Endowment (SAFE) and Scholarships:** Providing financial aid for basic needs and academic pursuits.

Recent Impact:

- **Creer Technical Education (CTE) Support:** Raised over $350,000 to support students in programs such as Mechatronics, Construction Boot Camp, Welding, and Cyber Security
- **SAFE Fund:** Awarded over $100,000 to hundreds of students for basic needs support, such as housing, food, and mental health.
- **Scholarships:** Awarded $352,916 in scholarships to over 350 deserving students.
- **Student Housing:** 8 beds are offered free of charge to students facing homelessness.

Through the generosity of donors and community partners, SCF continues to make a significant difference in the lives of Sierra College students.

Statement of Cash Flows

The Statement of Cash Flows reflects the cash provided by and used in operating, capital and related financing and investing activities.

- Operating activities include funds received (i.e. from private donors' contributions and events) and payments (i.e., for programs, publicity, scholarships, grants, events and other services) provided by SCF's operations.

- Investing activities represent funds used to purchase investments, proceeds from the sale of investments and earnings on the investments held by SCF.

Economic Outlook

Sierra College Foundation (SCF) has had another successful fundraising year, building upon the momentum of previous years. The Board of Directors reaffirmed its commitment to supporting current projects that contribute significantly to student success, including:

- Guardian Scholars
- Innovation
- Veterans Services
- Emergency Fund
- Scholarships and SAFE
- Mental Health Assistance
- Student Housing

(Continued)

One of SCF's key achievements this year has been its commitment to addressing student housing challenges. Sierra College was awarded funding to build a 354-bed housing project for low-income students. SCF has committed to endowing 10 beds to be offered free of charge to students with the highest need. To date, 8 beds have been endowed, and SCF is actively working to secure funding for the remaining 2.

In addition, the Board continues its fundraising efforts and works with the college to identify new areas where SCF can provide support. As an example, SCF continues to seek grant opportunities to support students in the Career Technical Education (CTE) and STEM fields.

Stewardship is a top priority for SCF. The foundation strives to meet the highest standards of charity accountability as set by organizations like the Better Business Bureau Wise Giving Alliance and the American Institute of Philanthropy.

Contacting the Foundation's Financial Management

This financial report is designed to provide our citizens, taxpayers, donors, investors, and creditors with a general overview of SCF's finances and to demonstrate SCF's accountability for the money it receives. Please visit us at our website, www.sierracollege.edu/foundation. If you have questions about this report or need additional information, contact the Sierra College Foundation Executive Director, Sonbol Aliabadi, at 5100 Sierra College Blvd., Rocklin, CA, (916) 660-7020.

Sonbol Aliabadi

Sonbol Aliabadi
Executive Director

The Sierra College Foundation (the "Foundation") is governed by a Board of Directors and is a legal entity separate from the Sierra Joint Community College District (the "District"). The Foundation was formed in 1972 and became incorporated in 1973.

The Foundation secures property by outright gift, bequest, will or trust and earnings from investments. The Foundation makes gifts, loans, grants and scholarships in order to promote, foster and implement the programs and activities of the District.

The Board of Directors for the fiscal year ended June 30, 2025 was comprised of the following members:

Members	Office	Term Expires
Ed Bonner	President	June 2026
Kris Mapes	Treasurer/Chief Financial Officer	June 2026
Michael Wagener	Secretary	June 2025
Robert Dugan	Immediate Past President	June 2025
Kevin Barri	Vice President	June 2026
Grace Bowen	Vice President Governance	June 2025
Amanda Merz	VP Resource Development	June 2025
Dave Breninger	Member	June 2025
Holly Tiche	Member	June 2026
Debbie Reitter	Member	June 2025
Laura Latimer	Member (resigned 3/2025)	June 2025
Merryl Tengesdal	Member	June 2025
Ned Cohen	Member	June 2025
Rana Ghadban	Member (start 3/2025)	June 2027
Robin Trimble	Member	June 2025
Ryan Ronco	Member	June 2025
Tammy Powers	Member (started 3/2025)	June 2027

Willy Duncan	District President/Superintendent
Judy East	Designated NCC Coordinating Council
Cari Dawson-Bartley	Sierra College Board of Trustees

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Sierra College Foundation
Rocklin, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sierra College Foundation (the "Foundation"), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Sierra College Foundation as June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

(Continued)

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Other Information

Management is responsible for the other information. The other information comprises the Executive Director’s Report on pages 1 through 4 and Organization on page 5 but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Crowe LLP

Crowe LLP

Sacramento, California
December 11, 2025

FINANCIAL STATEMENTS

SIERRA COLLEGE FOUNDATION
STATEMENTS OF FINANCIAL POSITION
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 221,114	$ 699,213
Investments	21,141,882	18,035,494
Prepaid expenses	15,900	17,350
Receivables	76,728	57,564
Total assets	$ 21,455,624	$ 18,809,621
LIABILITIES		
Accounts payable and accrued expenses	166,486	132,139
Grant advance liability	192,257	-
Total liabilities	358,743	132,139
NET ASSETS		
Net assets without donor restrictions:		
Undesignated	4,060,244	3,651,718
Board designated endowment	1,744,703	1,640,906
Net assets without donor restrictions	5,804,947	5,292,624
Net assets with donor restrictions	15,291,934	13,384,858
Total net assets	21,096,881	18,677,482
Total liabilities and net assets	$ 21,455,624	$ 18,809,621

See accompanying notes to financial statements.

SIERRA COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Revenues, gains and other support:			
Contributions and grants	$ 95,340	$ 1,103,903	$ 1,199,243
Investment income	186,788	317,555	504,343
Realized gain on sale of investments	249,945	406,831	656,776
Net unrealized gain on investments	383,686	446,785	830,471
Donated from the College District - in-kind	196,461	-	196,461
Administrative service fee	145,000	-	145,000
Special events and other revenues	314,880	427,785	742,665
Total revenues, gains and other support before assets released from restrictions	1,572,100	2,702,859	4,274,959
Net assets released from restrictions	795,783	(795,783)	-
Total revenues, gains and other support	2,367,883	1,907,076	4,274,959
District support and Foundation expenses:			
Scholarships granted	352,916	-	352,916
Academic program support	701,693	-	701,693
Administration	454,519	-	454,519
Fundraising	346,432	-	346,432
Total District support and Foundation expenses	1,855,560	-	1,855,560
Change in net assets	512,323	1,907,076	2,419,399
Net assets, July 1, 2024	5,292,624	13,384,858	18,677,482
Net assets, June 30, 2025	$ 5,804,947	$ 15,291,934	$ 21,096,881

See accompanying notes to financial statements.

SIERRA COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Revenues, gains and other support:			
Contributions and grants	$ 67,814	$ 2,283,400	$ 2,351,214
Investment income	132,153	203,877	336,030
Realized gain on sale of investments	95,364	359,375	454,739
Net unrealized gain on investments	570,457	483,574	1,054,031
Donated from the College District - in-kind	179,657	-	179,657
Administrative service fee	145,000	-	145,000
Special events and other revenues	688,432	192,880	881,312
Total revenues, gains and other support before assets released from restrictions	1,878,877	3,523,106	5,401,983
Net assets released from restrictions	924,089	(924,089)	-
Total revenues, gains and other support	2,802,966	2,599,017	5,401,983
District support and Foundation expenses:			
Scholarships granted	377,933	-	377,933
Academic program support	640,610	-	640,610
Administration	406,886	-	406,886
Fundraising	361,756	-	361,756
Total District support and Foundation expenses	1,787,185	-	1,787,185
Change in net assets	1,015,781	2,599,017	3,614,798
Net assets, July 1, 2023	4,276,843	10,785,841	15,062,684
Net assets, June 30, 2024	$ 5,292,624	$ 13,384,858	$ 18,677,482

SIERRA COLLEGE FOUNDATION
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Donations received from contributions and other revenues	$ 2,457,912	$ 3,358,978
Contributions and other revenues with donor restrictions for long term investment	(897,761)	(1,910,176)
Payments to suppliers for goods and services	(841,173)	(903,950)
Payments to/on behalf of employees	(627,123)	(391,016)
Payments to/on behalf of students	(352,916)	(377,933)
Other receipts and payments	597,525	413,321
Net cash provided by operating activities	336,464	189,224
Cash flows from investing activities:		
Purchases of investments	(6,949,474)	(11,120,116)
Investment management fees	(93,183)	(77,291)
Proceeds from sale of investments	5,330,333	9,030,021
Net cash used in investing activities	(1,712,324)	(2,167,386)
Cash flows provided by financing activities:		
Contributions and other revenues restricted for long term investments	897,761	1,910,176
Net cash provided by financing activities	897,761	1,910,176
Change in cash and cash equivalents	(478,099)	(67,986)
Cash and cash equivalents, beginning of year	699,213	767,199
Cash and cash equivalents, end of year	$ 221,114	$ 699,213
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	$ 2,419,399	$ 3,614,798
Realized gain on sales of investments	(656,776)	(454,739)
Investment management fees	93,183	77,291
Net change in the fair value of investments	(830,471)	(1,054,031)
Contributions with donor restrictions for long term investment	(897,761)	(1,910,176)
Changes in assets and liabilities:		
Receivables	(19,164)	(16,948)
Prepaid expenses	1,450	(1,600)
Accounts payable and accrued expenses	34,347	(65,371)
Grant advance liability	192,257	-
Net cash provided by operating activities	$ 336,464	$ 189,224

See accompanying notes to financial statements.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: Sierra College Foundation (the "Foundation") is a non-profit, tax-exempt organization dedicated to providing support to various programs and functions of Sierra Joint Community College District (the "District"), as well as to provide a link between the District and the community. The Foundation is considered a component unit of the District for financial reporting purposes and, accordingly, is reported as a discreetly presented component unit in the District's financial statements.

The mission of Sierra College Foundation is to give the members of our community the opportunity to assist and invest in the development of quality educational opportunities for all.

In concert with Sierra College and the community it serves, the Foundation commits itself to work toward educational excellence, and to assist in the implementation of the mission of Sierra College to provide a supportive learning environment enriched by diversity, which promotes personal and professional success, leadership, innovation, responsibility, and a sense of community.

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation: The Foundation has adopted the provisions of Codification Topic 958-605, *Accounting for Contributions Received and Contributions Made,* and Codification Topic 958-205, *Financial Statements of Not-for-Profit Organizations.* Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* – Net assets not subject to donor-imposed stipulations. As of June 30, 2025 and 2024, $1,744,703 and $1,640,906, respectively, were designated by the Board of the Foundation for a Board-designated endowment.

- *Net Assets With Donor Restrictions* – Net assets 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 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.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restriction on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Cash Equivalents: The Foundation considers all highly liquid investments with original maturity dates of three months or less as cash equivalents.

Receivables: Receivables consist of unconditional promises to give. Unconditional promises to give are expected to be collected within one year and are recorded at net realizable value. The Foundation utilizes the allowance method for accounting for uncollectible receivables. No allowance was necessary at June 30, 2025 or 2024.

(Continued)

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments: Investments in equity marketable securities are carried at fair value. Net change in the fair value of investments, which consists of realized gains or losses and the unrealized appreciation (depreciation) of those investments, is reported in the statement of activities. Investment income is accrued as earned. Security transactions are recorded on a trade date basis.

Included in total investments at June 30, 2025 and 2024 is an investment in a closely held company in the amount of $91,495. This investment without readily determinable fair value is carried at cost because of the Foundation's inability to exercise significant influence over the company.

Net Assets: The Foundation accounts for its endowments in accordance with *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to and Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and Enhanced Disclosures for All Endowment Funds* (Codification Topic 958-205). The Foundation's endowment consists of funds established for the purpose of supporting education at the District. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

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

The investment objective is to optimize earnings on all invested funds, while maintaining the preservation of capital. Risk will be minimized by investing in high quality fixed income instruments. To the extent that corporate obligations are purchased, those purchases will be diversified in terms of issuer and industry sector.

Contributions: Contributions are recognized as revenues in the period received. Unconditional promises to give (pledges) are recognized as revenue when the commitment is communicated to the Foundation. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are met. Contributions are considered available for unrestricted use unless specifically restricted by the donor. Event revenues received in advance are deferred and recognized in the period as the events occur.

(Continued)

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Credit Risk: The Foundation maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts. Management believes the Foundation is not exposed to any significant credit risk related to cash.

At June 30, 2025, the carrying amount of the Foundation's cash on hand in banks and cash equivalents was $2,155,519 and the bank balance was $2,154,193. The bank balance amount insured by the Federal Deposit Insurance Corporation or Securities Investor Protection Corporation was $1,000,000. At June 30, 2024, the carrying amount of the Foundation's cash on hand in banks and cash equivalents was $2,017,303 and the bank balance was $2,176,873. The bank balance amount insured by the Federal Deposit Insurance Corporation or Securities Investor Protection Corporation was $1,012,560.

Tax Status: The United States Treasury Department determined that the Foundation is a nonprofit tax-exempt corporation as defined by Internal Revenue Code Section 501(c)(3). A similar determination was made by the California Franchise Tax Board under Section 237 of the State Revenue and Taxation code.

In 2003, the Foundation Board of Directors approved the 501(h) lobby election of the Internal Revenue Code. Such status provides the Foundation with the ability to participate in the public policy process through lobbying and advocacy campaigns, but limits the Foundation's expenses for this purpose to a maximum of 20% of the first $500,000 of annual expenditures.

The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. Sierra College Foundation does not expect the total amount of unrecognized tax benefits to significantly change in the next 12 months. Interest and penalties on tax assessments are classified as an expense when incurred. For the years ended June 30, 2025 and 2024, the Foundation did not incur any interest or penalties.

The Foundation would recognize interest and penalties related to unrecognized tax benefits in tax expense. During the year ended June 30, 2025 and 2024, the Foundation did not recognize any interest or penalties. The Foundation files exempt organization returns in the U.S. Federal and California jurisdictions. The returns remain subject to examination by the U.S. Federal jurisdiction for three years after the return is filed and for four years by the California jurisdiction. There are currently no tax years under examination.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

(Continued)

NOTE 2 – INVESTMENTS

Investments consist of the following at June 30:

	2025	2024
Cash and cash equivalents	$ 1,934,405	$ 1,318,090
Mutual funds	17,269,521	14,794,052
Real estate investment trusts	618,101	1,104,392
Alternative investments	436,438	-
Investment in Foundation for California Community Colleges Scholarship Endowment (FCCC/Osher)	791,922	727,465
Equity security	91,495	91,495
Total investments	$ 21,141,882	$ 18,035,494

Included in total investments at June 30, 2025 and 2024 is an equity investment in a closely held company in the amount of $91,495. This investment without readily determinable fair value is carried at cost because of the Foundation's inability to exercise significant influence over the company.

The Foundation invests in a pooled scholarship endowment fund, FCCC/Osher, managed by the Foundation for California Community Colleges (FCCC). The objective of the Foundation’s investment in FCCC/Osher is to grow the Foundation’s investments through the Bernard Osher Foundation pledge to match funds contributed to FCCC/Osher. Funds invested in the endowment fund by the Foundation cannot be removed at any time. The investment managers engaged by FCCC are required to follow specific guidelines set forth by FCCC with respect to the various types of allowable investments purchased and held by the pool. Accordingly, the estimated fair value of these investments is based on information provided by external investment managers engaged by FCCC. At June 30, 2025, the Foundation investment in the pool consisted of 3% cash and short-term investments, 30% fixed income securities, and 67% equity securities. At June 30, 2024, the Foundation investment in the pool consisted of 7% cash and short-term investments, 34% fixed income securities, and 59% equity securities.

(Continued)

NOTE 2 – INVESTMENTS (Continued)

Fair Value Measurements

The following presents information about the Foundation's assets and liabilities measured at fair value on a recurring basis, and indicates the fair value hierarchy of the valuation techniques utilized by the Foundation to determine such fair value based on the hierarchy:

> *Level 1* – Quoted market prices or identical instruments traded in active exchange markets. Level 1 investments include mutual funds, corporate stocks, real estate investment trusts, and cash and cash equivalents held in money market funds.
>
> *Level 2* – Significant other observable inputs such as quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable or can be corroborated by observable market data.
>
> *Level 3* – Significant unobservable inputs that reflect a reporting entity's own assumptions about the methods that market participants would use in pricing an asset or liability. Level 3 investments include the investment in FCCC/Osher.

The Foundation uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate fair values of alternative investments, which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The following tables present the balances of assets measured at fair value at on a recurring basis. Assets measured using NAV as a practical expedient, and those held at cost, are included to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

June 30, 2025	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 1,934,405	$ -	$ -	$ 1,934,405
Mutual funds - equities	11,113,879	-	-	11,113,879
Mutual funds - fixed income	6,155,642	-	-	6,155,642
Real estate investments trusts	618,101	-	-	618,101
Investment in FCCC/Osher	791,922	-	-	791,922
Total investments at fair value	$ 20,613,949	$ -	$ -	20,613,949
Investments held at NAV				
Alternative investments				436,438
Equity security held at cost				91,495
Total investments				$ 21,141,882

(Continued)

NOTE 2 – INVESTMENTS (Continued)

June 30, 2024	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 1,318,090	$ -	$ -	$ 1,318,090
Mutual funds - equities	9,349,225	-	-	9,349,225
Mutual funds - fixed income	5,444,827	-	-	5,444,827
Real estate investments trusts	1,104,392	-	-	1,104,392
Investment in FCCC/Osher	-	-	727,465	727,465
Total investments at fair value	$ 17,216,534	$ -	$ 727,465	17,943,999
Equity security held at cost				91,495
Total investments				$ 18,035,494

The Foundation used the following methods and significant assumptions to estimate fair value:

Investment in FCCC/Osher – The fair value of the funds held by FCCC is based upon the Foundation's proportionate share of the FCCC/Osher pooled investment portfolio (Level 3 inputs). Foundation management reviews the valuations and returns in comparison to industry benchmarks and other information provided by FCCC, but there is currently no visibility provided by FCCC to the specific listing of underlying investment holdings.

Alternative Investments – The Foundation uses net asset value to determine the fair value of all the underlying investments which do not have a readily determinable fair value and prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The following table lists investments in other investment companies and investment partnerships by major category as of June 30, 2025. There were no alternative investments as of June 30, 2024.

Investment Strategy	NAV In Funds	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Private credit (non-equity) (a)	$ 224,644	$ -	Quarterly	30-60 Days
Private markets (equity and debt) (b)	211,794	-	Quarterly	30-60 Days
Total	$ 436,438			

(a) The private credit fund invests in private direct lending and opportunistic credit strategies. It primarily invests in loans to middle-market borrowers, with limited exposure to second-lien, mezzanine, equity co-investments, and CLOs. Liquidity is provided through quarterly repurchase offers at the discretion of the board, typically limited to 5% of NAV per quarter.

(b) The Private markets fund invests across global private equity, real asset, and private debt strategies through a mix of secondary, primary, and co-investment positions. The fund is structured as a continuously offered closed-end tender fund, designed to provide long-term capital appreciation with broad manager and sector diversification. Liquidity is provided through quarterly repurchase offers at the discretion of the Board, typically limited to 5% of net assets, with a redemption notice period generally between 30 and 60 days.

(Continued)

NOTE 2 – INVESTMENTS (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future 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.

There were no changes in the valuation techniques used during the years ended June 30, 2025, and 2024. There were no transfers of assets between the fair value levels for the years ended June 30, 2025, and 2024.

NOTE 3 – NET ASSETS

Board-designated endowment funds – The Board of the Foundation has designated endowment funds for the Technology Endowment, Sierra College Foundation Scholarship endowment, Student Emergency (911) endowment, and Student Housing endowment. Board designated endowment funds of $1,744,703 and $1,640,906 are included in net assets without donor restrictions as of June 30, 2025, and 2024, respectively.

Net assets with donor restriction – A summary of net assets with donor restrictions and the related donor restrictions are as follows at June 30:

	2025	2024
Academic program	$ 1,179,379	$ 1,123,337
Scholarships and awards	568,141	604,970
Fundraising	86,136	87,057
Endowment:		
Restricted in perpetuity	10,129,834	9,113,728
Accumulated unspent earnings for scholarships and awards	3,328,444	2,455,766
Total endowment	13,458,278	11,569,494
	15,291,934	$ 13,384,858

Restricted for endowment – At June 30, 2025, and 2024, the Foundation held $13,458,278 and $11,569,494, respectively, in endowment funds for scholarships and awards. The investment income earned on these net assets with donor restrictions are generally restricted as to purpose and is held in net assets with donor restriction until the purpose is met at which time the funds are released from restriction.

(Continued)

NOTE 3 – NET ASSETS (Continued)

Changes in endowment net assets for the fiscal year ended June 30, 2025, consisted of the following:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Endowment net assets, beginning of year	$ 1,640,906	$ 11,569,494	$ 13,210,400
Change in fair value of investments and investment income	143,677	1,017,833	1,161,510
Contributions	-	897,761	897,761
Other transfer	-	258,323	258,323
Appropriation of endowment assets for expenditure	(39,880)	(285,133)	(325,013)
Endowment net assets, end of year	$ 1,744,703	$ 13,458,278	$ 15,202,981

Endowment net asset composition by type of fund for the fiscal year ended June 30, 2025, consisted of the following:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 13,458,278	$ 13,458,278
Board-designated endowment funds	1,744,703	-	1,744,703
Total	$ 1,744,703	$ 13,458,278	$ 15,202,981

(Continued)

NOTE 3 – NET ASSETS (Continued)

Changes in endowment net assets for the fiscal year ended June 30, 2024, consisted of the following:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Endowment net assets, beginning of year	$ 1,487,421	$ 8,824,267	$ 10,311,688
Change in fair value of investments and investment income	155,485	907,355	1,062,840
Contributions	-	1,910,176	1,910,176
Other transfer	-	223,658	223,658
Appropriation of endowment assets for expenditure	(2,000)	(295,962)	(297,962)
Endowment net assets, end of year	$ 1,640,906	$ 11,569,494	$ 13,210,400

Endowment net asset composition by type of fund for the fiscal year ended June 30, 2024, consisted of the following:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 11,569,494	$ 11,569,494
Board-designated endowment funds	1,640,906	-	1,640,906
Total	$ 1,640,906	$ 11,569,494	$ 13,210,400

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 UPMIFA requires the Foundation to retain as a fund of perpetual duration. For the year ended June 30, 2025 and 2024, there were no donor-restricted funds with deficiencies.

NOTE 4 – RELATED PARTY TRANSACTIONS

Administrative Service Fee - The Foundation earned revenues of $145,000 during the years ended June 30, 2025 and 2024, for services provided to the District in assisting in the administration of scholarships to individual students in accordance with the terms and conditions specified in the individual scholarship fund.

Donation from the District - During the years ended June 30, 2025 and 2024, the District did not provide any additional cash contributions to the Foundation.

(Continued)

NOTE 4 – RELATED PARTY TRANSACTIONS (Continued)

In-kind Donation from the District - The Foundation received in-kind donations from the District totaling $196,461 and $179,657 for the years ended June 30, 2025 and 2024, respectively. This consisted of accounting and management support, comprehensive insurance, office space, and other miscellaneous internal services as provided by the District. The valuation of such services and facilities is determined based upon various factors including employee salaries and benefits, office rent, and certain other operating expenses.

These items are recorded as contributions in net assets without donor restrictions on the statement of activities at their estimated fair value for the years ended June 30, 2025 and 2024, respectively. A breakdown of the amounts is as follows:

	2025	2024
Salaries and benefits	$ 169,691	$ 158,887
Audit and professional fees	11,000	5,000
Office space	15,770	15,770
	$ 196,461	$ 179,657

NOTE 5 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following at June 30, 2025 and 2024:

	2025	2024
Financial assets		
Cash and cash equivalents	$ 221,114	$ 699,213
Investments	21,141,882	18,035,494
Receivables	76,728	57,564
Subtotal financial assets	21,439,724	18,792,271
Less those not available for general expenditures		
Endowment assets invested	(13,458,278)	(11,569,494)
Board-designated endowments	(1,744,703)	(1,640,906)
Financial assets available to meet cash needs for general expenditures	$ 6,236,743	$ 5,581,871

The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Fixed income investments have both short-term and longer-term maturities, and alternative investments have certain redemption restrictions. However, the investments can be liquidated to meet general expenditures as needed. The receivables are subject to implied time restrictions but are expected to be collected within one year.

(Continued)

NOTE 6 – EXPENSES BY BOTH NATURE AND FUNCTION

Expenses are presented below by functional classification in accordance with the overall service mission of the University. Each functional classification displays all expenses related to the underlying operations by natural classification.

2025	Program Activities			Supporting Activities		
	Scholarships	Academic Program Support	Total Program Activities	Administration	Fundraising	Total Expense
Salaries and benefits	$ -	$ 142,019	$ 311,710	$ 274,196	$ 202,919	$ 788,825
Services, supplies and other operating expenses	-	559,674	-	180,323	-	180,323
Events	-	-	-	-	143,513	143,513
Scholarships	352,916	-	352,916	-	-	352,916
	$ 352,916	$ 701,693	$ 1,054,609	$ 454,519	$ 346,432	$ 1,855,560

2024	Program Activities			Supporting Activities		
	Scholarships	Academic Program Support	Total Program Activities	Administration	Fundraising	Total Expense
Salaries and benefits	$ -	$ 137,153	$ 137,153	$ 248,558	$ 192,684	$ 578,395
Services, supplies and other operating expenses	-	503,457	503,457	158,328	-	661,785
Events	-	-	-	-	169,072	169,072
Scholarships	377,933	-	377,933	-	-	377,933
	$ 377,933	$ 640,610	$ 1,018,543	$ 406,886	$ 361,756	$ 1,787,185

NOTE 7 – SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through December 11, 2025, the date the financial statements were available to be issued, and believes no additional accrual or disclosures are required in the financial statements, except as discussed in elsewhere within the Notes to the financial statements.