

THE TSTC FOUNDATION
STATEMENT OF FINANCIAL POSITION

	<u>August 31, 2023</u>		<u>May 31, 2023</u>		<u>August 31, 2022</u>
ASSETS					
Current Assets					
Cash and Investments	\$		\$		\$
Operating		1,495,712		951,632	2,120,092
Operating - Restricted		8,407,585	1	-	-
Short-term Investments		11,891,093		11,800,658	12,516,904
Endowments		3,686,879		3,506,183	3,557,451
Accrued Interest Receivable		63,960		62,043	-
Pledges Receivable		29,054		29,054	222,635
Capital Pledges Receivable (net of discount)		7,516,507		7,516,507	10,140,527
Accounts Receivable		-	1	8,400,000	-
Total Current Assets		<u>33,090,790</u>		<u>32,266,076</u>	<u>28,557,608</u>
Lease / Lease Related Receivables					
TSTC Admin Fees and Other Receivables		-		-	25,000
Waco Student Housing (Griffith Hall) Lease		20,048,760	2	19,241,391	19,903,553
Waco Workforce Training Center (The WorkSITE) Lease		952,768		461,633	-
Total Lease / Lease Related Receivables		<u>21,001,527</u>		<u>19,703,024</u>	<u>19,928,553</u>
Fixed Assets					
Land (Sweetwater 77.674 acres; Lake lot)		124,393		124,393	124,393
Austin Real Estate		1,047,900	3	1,047,900	-
Accumulated Depreciation (Austin Real Estate)		(45,250)		-	-
Total Fixed Assets		<u>1,127,042</u>		<u>1,172,293</u>	<u>124,393</u>
TOTAL ASSETS		<u><u>55,219,359</u></u>		<u><u>53,141,393</u></u>	<u><u>48,610,553</u></u>
LIABILITIES					
Current Liabilities					
Accounts Payable		487,712		818,804	321,791
Accrued Interest Payable		632,203		570,000	649,747
Total Current Liabilities		<u>1,119,916</u>		<u>1,388,804</u>	<u>971,538</u>
Notes Payable					
Fort Bend ITC Building (American Bank) ((\$25,000,000, 3.5%, matures 12/15/25))		7,362,141		7,362,141	10,303,419
Waco Student Housing (American Bank) ((\$22,000,000, 3.75%, matures 8/28/46))		20,318,370	2	19,596,164	20,190,172
The WorkSITE Construction (American Bank) ((\$8,500,000, 3.902%, matures 12/01/43))		1,292,876		32,981	-
Total Notes Payable		<u>28,973,387</u>		<u>26,991,287</u>	<u>30,493,591</u>
TOTAL LIABILITIES		<u><u>30,093,303</u></u>		<u><u>28,380,091</u></u>	<u><u>31,465,129</u></u>
NET ASSETS					
Net assets without donor restriction		7,445,110		7,445,110	7,223,326
Net assets with donor restriction		9,700,315		9,700,315	9,328,039
Current Year Change in Net Assets		7,980,632		7,615,877	594,060
TOTAL NET ASSETS		<u>25,126,057</u>		<u>24,761,302</u>	<u>17,145,425</u>
TOTAL LIABILITIES & NET ASSETS	\$	<u><u>55,219,359</u></u>		<u><u>53,141,393</u></u>	<u><u>48,610,553</u></u>

THE TSTC FOUNDATION
STATEMENT OF ACTIVITIES (QUARTERLY)

	<u>August 31, 2023</u>	<u>May 31, 2023</u>	<u>August 31, 2022</u>
REVENUES			
Cash Gifts - Unrestricted	\$ 60,540	\$ 85,465	\$ 29,450
Cash Gifts - Restricted for Scholarships	145,604	341,310	665,282
Cash Gifts - Restricted for Endowment	94,500	82,500	23,655
Cash Gifts - Restricted - Other	-	8,405,693	-
Cash Gifts - Designated for Departments	117,669	(4,353)	36,561
Gifts - Pledges (Change in Pledges Receivable)	-	(130,000)	-
Total Gifts	<u>418,312</u>	<u>8,780,615</u>	<u>754,948</u>
Dividend Income	58,729	45,147	41,324
Interest Income	72,487	70,264	40,587
Affinity / Fee Income	10	74	-
Rent Income	18,000	18,000	-
Gain / (Loss) on Sale of Assets	(33,744)	8,120	3,564
Unrealized Gain / (Loss) on Investments	194,415	58,822	(256,130)
TOTAL REVENUES	<u>728,210</u>	<u>8,981,042</u>	<u>584,293</u>
EXPENSES			
Student Scholarships	514,977	584,158	434,752
Membership Dues / Sponsorships	6,688	8,357	5,756
Grants / Donations to TSTC	356,690	659,917	247,828
Other Discretionary	135,416	126,383	72,956
Austin Real Estate Utilities	75	2,351	-
Depreciation Expense	45,250	-	-
Bank Charges / Other Fees	13,173	10,483	8,293
TOTAL EXPENSES	<u>1,072,269</u>	<u>1,391,648</u>	<u>769,585</u>
CHANGE IN NET ASSETS BEFORE FINANCING ACTIVITIES	<u>(344,060)</u>	<u>7,589,394</u>	<u>(185,292)</u>
LOAN / LEASE ACTIVITIES			
Ft Bend Interest Expense	(3,277)	(100,000)	(93,000)
Waco Housing Loan Related Income	771,018	-	399,565
Waco Housing Interest Expense	(58,927)	(185,000)	(182,041)
NET LOAN ACTIVITIES	<u>708,814</u>	<u>(285,000)</u>	<u>124,524</u>
CHANGE IN NET ASSETS	<u><u>\$ 364,754</u></u>	<u><u>\$ 7,304,394</u></u>	<u><u>\$ (60,767)</u></u>

**THE TSTC FOUNDATION
STATEMENT OF ACTIVITIES (ANNUAL)**

	<u>August 31, 2023</u>		<u>August 31, 2022</u>
REVENUES			
Cash Gifts - Unrestricted	\$ 217,870	\$	35,351
Cash Gifts - Restricted for Scholarships	1,480,241		1,678,667
Cash Gifts - Restricted for Endowment	223,510		168,515
Cash Gifts - Designated for Departments	321,326		206,203
Cash Gifts - Restricted for Capital	583,581		453,312
Cash Gifts - Temp Restricted	8,405,693		1,738,835
Non Cash Gifts - Restricted for Endowment	-		49,758
Gifts - Pledges (Change in Pledges Receivable)	(193,581)		(238,581)
Total Gifts	<u>11,038,639</u>	4	<u>4,092,059</u>
Dividend Income	180,466		104,184
Interest Income	287,459		73,832
Affinity / Fee Income	37,195		37,353
Rent Income	48,813		-
Gain / (Loss) on Sale of Assets	80,650		118,165
Unrealized Gain / (Loss) on Investments	144,068		(671,677)
TOTAL REVENUES	<u>11,817,289</u>		<u>3,753,917</u>
EXPENSES			
Student Scholarships	1,790,124		1,231,127
Membership Dues / Sponsorships	38,672		31,138
Grants / Donations to TSTC	1,169,373	5	1,446,069
Other Discretionary	396,113		297,702
Austin Real Estate Utilities	2,387		-
Depreciation Expense	45,250	3	-
Bank Charges / Other Fees	52,004		32,759
TOTAL EXPENSES	<u>3,493,924</u>		<u>3,038,794</u>
CHANGE IN NET ASSETS BEFORE FINANCING ACTIVITIES	<u>8,323,365</u>		<u>715,122</u>
LOAN ACTIVITIES			
Ft Bend Loan Related Income	-		258,148
Ft Bend Interest Expense	(304,736)		(391,830)
Waco Housing Loan Related Income	771,018		762,809
Waco Housing Interest Expense	(809,015)		(750,190)
NET LOAN ACTIVITIES	<u>(342,733)</u>		<u>(121,063)</u>
CHANGE IN NET ASSETS	<u><u>\$ 7,980,632</u></u>	\$	<u><u>594,059</u></u>

**THE TSTC FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

Explanations below are for notable variances from the prior quarter / prior year:

- 1) Accounts Receivable / Operating Cash – The TSTC Foundation entered into an agreement with McLennan County to build the Workforce Center in Waco (The WorkSITE). The total cost of construction, estimated to be approximately \$17 million, is funded by a loan from American Bank and a cash donation from McLennan County. The \$8.4 million payment from the County was received and deposited into a separate interest-bearing account and will be spent for construction per the grant agreement.
- 2) Student Housing Lease Receivable / Note Payable – Remaining available loan funds for the Waco student housing project were drawn and used to pay for additional expenses related to Griffith Hall. This is reflected as an increase in Waco student housing Notes Payable, and the corresponding Lease Receivable from the College.
- 3) Austin Real Estate – The Austin Real Estate condos will accumulate depreciation over the estimated useful life of the asset. This asset will be depreciated over 22 years, which is standard practice for similar buildings.
- 4) Gifts – The amount received in gifts vary each quarter, however, the notable \$8.4 million recognized in the last quarter is related to the cash donation from the McLennan County for the construction of The WorkSITE explained in Note 1.
- 5) Grants / Donations for TSTC – The Foundation often receives donations and gifts with specific purposes that directly benefit the College. The timing of when the gift is received and expended can sometimes cross fiscal years. These gifts are transferred to the College either as cash donations or purchase of capital assets. During FY 2023 and FY 2022, significant transfers to TSTC included equipment for the FAME training center in Seguin, conveyor systems for the Mechatronics program in Harlingen, and cash donations for expansion projects in Fort Bend and Abilene.